

Polish MPs warned by Primate

Poland's Roman Catholic Church intervened for the first time in the Solidarity's crisis with the state, the Primate, Archbishop Józef Glemp, warning to all MPs, warned of the serious consequences if they adopted a law giving the Government emergency powers. Such a law might force Solidarity to stage large-scale strikes sparking "a serious conflict," he said. Page 7

£300m loophole for councils

Local councils may escape a £300m penalty for overspending because of doubts over its legality. The Local Government Finance Bill, which contains a clause to cover the penalty retrospectively, is stalled in the House of Commons. Page 3

Salim withdraws from UN ballot

Mr Salim Ahmed Salim, the Tanzanian Foreign Minister and the Third World choice for United Nations Secretary-General, withdrew from further balloting in the Security Council after a final, fruitless effort to persuade the United States to support his candidacy. Page 6

French scorn

M Claude Cheysson, the French Foreign Minister, has scorned the EEC's Vanclaire Declaration for the Middle East, describing parts of it as absurd. The minister, who is in Israel, said it was up to the countries in the region to decide their own future. The remarks delighted the Israelis. Page 6

Ferry bid barred

European Ferries has been barred from taking over British Rail's Sealink shipping subsidiary by the Monopolies and Mergers Commission. The Government has accepted a Commission report that a merged ferry company would reduce competition, particularly on English Channel services. Page 13

Sakharov 'poor'

Dr Andrei Sakharov, the dissident Soviet physicist who is on hunger strike in Gorkiy, was reported in very poor health. Miss Liza Alexeyeva, his wife's daughter-in-law by a previous marriage, said he was not being forced. Page 7

Premier resigns

Mr Aksel Joergensen, the Danish Prime Minister, resigned after his Social Democratic Party suffered a setback in national elections yesterday. They are likely to lose eight of their 68 parliamentary seats. Page 7

Seat belt law

Exemptions from wearing car seat belts under the new law, expected next summer, will be kept to a minimum, it was said, "the most compelling reasons," the Government said. Page 5

No further cuts

The City was disappointed as news of a bank-lending surge and poor money supply figures during November killed off hopes of a further cut in interest rates this year. Page 13

Numbers game

Advertisers are concerned that the "bingo" war among popular Fleet Street newspapers may be artificially inflating circulation figures without winning real gains in readership, according to the Audit Bureau of Circulation. Page 13

9% in pipeline

A pay offer of just over 9 per cent is to be recommended to 32,000 water workers by their union negotiators. Page 2

David Lean back

David Lean, whose last film was *Ran's Daughter* back in 1970, is set to return to the cinema. He will film *Forster's A Passage to India*. He is interviewed by John Higgins. Page 8

Leader page, 11
Letters: On Soviet arms, from Mrs Bruce Kent, and others; heavy lorries, from Lord Duncan-Sandys; Darwinism, from Professor D. S. Falconer, FRS, and Professor A. Robertson, FRGS, and Dr M. Jack; Leading articles: Libya; Privacy and the Princess. Features, pages 9, 10
Henry Fairlie discusses the open secrets of the CIA, on the trail of the Animal Liberation Front; Sir Denis Hamilton and Times Newspapers; Caroline Moorehead reviews the Yearling; Obituaries, page 12
Signor Ferruccio Parri, Hon David Rollo, Mr Bob Lord

Home News	2-5	Obituaries	12
Overseas	6-7	Parliament	4
Arts	12, 17	Premium Bonds	23
Books	13-19	Property	23
Business	13-19	Sale Rooms	12
Church	12	Science	2
Court	12	Sport	20, 21
Countryside	12	TV & Radio	25
Diary	20	Theatres, etc	25
Events	26	25 Years Ago	12
Law Report	22	Weather	26
Laurie cartoon	6	Wills	12

Heath attacks Howe for failing to save economy

By Hugh Noyes, Parliamentary Correspondent, Westminster

Mr Edward Heath yesterday made a powerful and withering attack on government policy when he intervened at an early stage of the debate in the Commons on the Chancellor's public expenditure proposals of last week. He told Sir Geoffrey Howe, who was sitting hunched gloomily between Mrs Margaret Thatcher and Mr Leon Brittan, Chief Secretary to the Treasury, that there had never been any practical or intellectual justification for monetarism. He went on to warn the Government of the growing unrest on the Conservative benches over the failure to produce measures to help reduce the number of unemployed and over the threat of more damaging education cuts. Education facilities lost to students, he protested, could never be regained. That was the loss of a generation and the loss for a lifetime and there would be the strongest possible objections among Tory MPs if that happened.

As the debate opened, Sir Geoffrey Howe seemed an almost lone voice crying in the wilderness as he bravely told the House that he could detect multiplying signals of an economic recovery. Sir Geoffrey was in one of his more optimistic moods but that was not reflected in many other sections of the Commons. The motion to approve Sir Geoffrey's proposals was carried by 307 votes to 265, a Government majority of 42. The Labour amendment calling for cuts in taxation, to be rejected and for the Government to abandon its totally discredited medium term financial strategy was earlier defeated by 307 votes to 267, a Government majority of 40. The Government's majority over all other parties in the House is 39.

There was a star studded cast waiting to speak as the debate opened on the proposals which Sir Geoffrey stoutly insisted did not amount to a U-turn. From all sides, Mr Heath among the Tories, Mr Peter Shore opening for the Opposition and Mrs Shirley Williams speaking for the SDP for the first time after her victory at Crosby, there were loud calls

Gilmour leads Tory rebels

Sir Ian Gilmour, the former Cabinet minister, last night led a backbench rebellion against the Government's spending plans for 1982-83 (Philip Webster writes). A dozen of those Conservative MPs who failed to vote at the end of a debate on Sir Geoffrey Howe's statement on the economy last Wednesday let it be known before the vote that they were deliberately abstaining. They were Mr Patrick Cormack, Mr Julian Critchley, Mr Stephen Dorrell, Mr Hugh Dykes, Mr Alan Haselhurst, Mr Robert Hicks, Mr David Knox, Mr Charles Morrison, Mr Robin Squire, Mr Dennis Walters, Mr John Watson and Sir Ian Gilmour.

for varying degrees of reflection, in housing, harbours, railways and a host of other capital spending projects. Mr Heath told the Chancellor that his constant emphasis on the public sector, with the indication that it was something on the whole rather undesirable, and on the private sector, whose health must be right, was leading to wrong judgments which could be damaging to the economy. The two sectors, he told the House, were inextricably bound together. On the cut-back on unemployment benefits, Mr Heath said that he would need a great deal of persuasion that it was inescapable. It was fallacious and unacceptable to argue that because there had to be a reduction in the standard of living, the unemployed must bear their share of the burden.

He urged Sir Geoffrey to remove the present confusion by making plain what policies he was following in a slightly cynical tone. The former prime minister, he said, was a U-turn, then at least a veering by the Government in the right direction. He suggested that the Chancellor was showing a most welcome change in attitude by stating the Government was now going to take account of Continued on back page, col 5

Reagan team predicts huge new deficits

From Our Correspondent, Washington, Dec 8

President Reagan has been handed the grimmest economic news of his administration by his own forecasters, who now expect the United States deficit to soar to a record \$109,000m (about £54,500m) in the 1982 fiscal year. The figures, prepared by the Council of Economic Advisers and the Office of Management and Budget, confirm estimates of big new deficits which private forecasters have been making for months. They are putting renewed pressure on Mr Reagan to change his policies. Figures leaked to the press and later confirmed by the White House show estimated deficits twice those predicted by the Administration in September, and substantially higher than the \$80,000m cited by the White House in its budget battle with Congress, two weeks ago. The new estimates project a deficit of \$152,000m in 1983 and \$167,000m in the 1984 fiscal year without any more government spending cuts or tax increases. Deficits this size are bound to put renewed upward pressure on United States interest rates, which have been falling. Based on the new figures, Wall Street analysts say interest rates will begin climbing again by summer at the latest. An Administration official said that if the new forecasts

are correct, the Treasury will be forced to boost borrowings. To the extent the 1983 deficit increases above the \$43,000m predicted earlier, Treasury borrowing requirements will increase commensurately. Mr Roger Meltz, Deputy Assistant Secretary of the Treasury, said: "Immediately the figures were released the White House issued a statement calling them preliminary working estimates, made at staff level. A spokesman said Mr Reagan had seen them and is to meet David Stockman, his Budget Director, this afternoon to get a new overview on the budget and the projected deficits. "These deficit estimates are not finalized policy proposals. Mr Reagan has repeatedly said he will not raise taxes to bring down the deficit and holds fast to his policy of cutting them to recharge the economy. But the cuts he pushed through Congress in his recent economic recovery programme will result in lost revenues of more than \$400,000m by 1986. Critics of Mr Reagan's policies, the very ones who leaked the new deficit figures to the press, say the only way to get out of the red and bring interest rates down is to raise taxes. Senate Republican leaders are trying to convince him to allow moderate to large tax increases in the new 1983 budget plan he submits to Congress in January. The adverse effects of stress in executives include loss of self-assurance, loss of confidence in subordinates, producing procrastination in decision making, inability to delegate properly and a tendency to become unnecessarily involved in minutiae. Professor Rees said: "A vicious circle is created, no one is trusted, additional work needing more decisions, is thrust upon him, holidays are delayed or cancelled, and over-sickness, absences, and over-activity is replaced by apathy, and depression, verbal output and alcohol intake increase, efficiency and effective application fall."

Phone charges to rise

By Frances Williams

Telephone charges for 14 million domestic users are likely to rise by 50 per cent more than the rate of inflation, according to British Telecom. It attributes this to the Government's decision to license a private telephone network in competition with Telecom. Mr Peter Benton, deputy chairman of British Telecom, said at a seminar in London on state industry finances and private capital that although competition would be very healthy for Telecom and was thus to be welcomed, it would cost the private customer more. The proposed private network, named Mercury, which is to be set up by a consortium headed by Cable & Wireless, will link businesses in English cities. The Government has already given its consent and it is expected to be in operation by 1983. Mercury will cream off much

of British Telecom's highly profitable long-distance traffic. Telecom says it will therefore be forced to increase charges for services which at present make a loss, notably telephone rentals and public kiosk calls, to meet its financial target of a 5 per cent rate of return on assets. The increased charges will most of all hurt domestic customers, for whom the rental is often a high proportion of the final bill. But business users will pay less in real terms (after taking account of inflation) because of competition, because the charges for long distance calls are likely to come down. Mr Benton told the seminar audience that Telecom could overshoot its borrowing limit of £300m by some £50m this year although it would meet its financial target. Conference report, page 14

Scargill hints at replay of 1974

By Paul Routledge, Labour Editor

The miners are moving steadily towards a 1974-style pay conflict with the Government after formally rejecting a £99.97m wage offer and electing Britain's best-known left-winger as their union president.

Leaders of the National Union of Mineworkers voted by a 3 to 1 majority to refuse the 9.1 per cent "final" offer, mirroring the rank-and-file landslide majority given to Mr Arthur Scargill, the Yorkshire area president in the presidential election. Mr Scargill's unprecedented victory was announced by Mr Joseph Gormley, the outgoing president, during a break in yesterday's abortive pay talks in London. As predicted in *The Times*, he won outright on the first ballot, taking 138,803 votes, 70.3 per cent of those cast in an 80 per cent poll in last week's secret pithead ballot.

His nearest rival was right-winger Mr Trevor Bell, secretary of the union's white-collar group, with 34,075 votes followed by Mr Ray Chaburn, the Nottinghamshire president, and Mr Bernard Donaghy, Lancashire president. Mr Scargill lost no time in denouncing the coal board's offer of weekly increases ranging from £6.30 on the surface to £8.70 at the face, plus improved productivity and holiday bonuses. "We could see the decisions of this Conservative Government and their cash limit policies and their agents in the coal board bringing about a new confrontation. "The responsibility is theirs, not ours. I hope common sense will prevail, but it looks as though it is a little comparable with 1974. I hope the membership will accept the recommendation of the union's executive in a ballot and give authority to take industrial action."

Following the sequence set by previous strikes, the NUM will call a special delegate conference before Christmas.

MINERS' BALLOT		
A Scargill	138,803	70.3%
T Bell	34,075	17.3%
R Chaburn	17,979	9.1%
B Donaghy	6,442	3.3%

mas, and then, seeks the 55 per cent majority in a pithead ballot. He said he would lead a national strike, he called "Meatwave", the union could impose an overtime ban. Mr Gormley made clear his own repugnance for a strike yesterday, adding: "As I go round the country, I get the feeling that the lads are in no mood for a strike."

That was almost certainly true until recently. The coal board privately sounded out the president yesterday on whether a nationally approved offer would result in a recommendation for acceptance from the executive, but the "slight adjustments" indicated were not enough to convince the miners' leaders.

All work and no play...

By Annabel Ferriman, Health Services Correspondent

Workaholics who devote almost all their time to their jobs are at risk of getting up such tension and fatigue that they resort to alcohol, drugs, sex exploitation or gambling, it was said yesterday. Professor Linford Rees, former Professor of Psychiatry at St Bartholomew's Hospital, London, told a London symposium that some degree of stress was helpful. "Controlled, predictable stress, such as was found in sports, planned retirement and jogging came into this category. But unpredictable events, such as the loss of a close relative or getting sacked could cause a degree of stress that resulted in disease. The adverse effects of stress in executives include loss of self-assurance, loss of confidence in subordinates, producing procrastination in decision making, inability to delegate properly and a tendency to become unnecessarily involved in minutiae. Professor Rees said: "A vicious circle is created, no one is trusted, additional work needing more decisions, is thrust upon him, holidays are delayed or cancelled, and over-sickness, absences, and over-activity is replaced by apathy, and depression, verbal output and alcohol intake increase, efficiency and effective application fall."



An early morning trudge to work through Highbury Fields in north London.

Unforecast blizzard worst for 14 years in the South

By Craig Seton and Richard Ford

Freezing weather conditions will continue across most of the United Kingdom for the rest of this week and more falls of heavy snow are expected in many areas towards the weekend. That was the message last night after a day of chaos caused by sudden heavy snow, unforeseen by the Meteorological Office, which left thousands of travellers stranded or severely delayed.

The worst snowfall in the South since the same day 14 years ago swept across an area from Bristol to East Anglia, as far north as Coventry and covering the whole of London and the Home Counties. There were also heavy falls in North Wales and other areas of the principality, although most northern parts of Britain escaped. Thousands of commuters whose journeys were disrupted yesterday were given a warning that icy roads could be treacherous today and rail travellers could again face delays. The Meteorological Office, admitting last night that it had got the intensity of the snowfalls wrong, insisted that transport authorities were given warnings of ice and snow on Monday afternoon. Privately, there is some criticism of the

authorities for not acting quickly enough to prevent the chaos. However, the weather forecasts were criticised by British Rail for not giving enough warning or an idea of the severity of the snowfall. There were huge traffic jams on roads, motorways were affected by accidents, thousands of work banded commuters were delayed and flight from Heathrow and Gatwick were disrupted throughout the morning. The London Weather Centre

said last night that the forecast for today in the south-east Midlands, South-east England and central parts of northern England was for severe rain all day with mist patches in some places. The rest of the country could also expect rain and some snow showers. A spokesman said there would be no snow before the weekend and snow showers on coastal areas and higher ground during the next two days could develop into longer periods of snow. Temperatures were not expected to rise above freezing today and would fall to between -7C and -10C tonight. The Weather Centre in London denied it was holding an inquiry into why it had not accurately predicted the severity of the snow.

With bookmakers slashing the odds on a white Christmas from 10 to 1 to 4 to 1, weather forecasters said the reason why Britain was shivering was a plunge of cold Arctic air from the North Pole. Last night the RAC said highway authorities, responsible for gritting and salting roads and motorways, had been caught on the hop by the sudden snowfall. It warned motorists that they could face Continued on back page, col 2

Palace appeal for privacy of Princess

By a Staff Reporter

The Royal Family yesterday made clear its concern over intrusive photographic coverage of the private life of the Princess of Wales who feels, it was said, totally beleaguered. Mr Michael Shea, the Queen's Press Secretary, invited to Buckingham Palace editors of national daily and Sunday newspapers, television and radio news, and the Press Association, to discuss the problem of the balance between the press and public interest and the Royal Family, particularly the Princess, and their legitimate right to privacy.

All the editors, with the exception of Mr Kelvin MacKenzie of *The Sun*, attended the meeting at which Mr Shea expressed his anxiety of those who loved and cared for the Princess: she had not herself made any request. "No demands were made and no decisions taken collectively by the editors who, later met the Queen. The immediate worry expressed was the failure by photographers and some editors to draw a distinction between the public activities of the Princess of Wales and her private life, especially at her home in Highgrove, Gloucestershire. She had copied splendidly with her public duties. She had survived very well in the run-up to the engagement when the Palace was not able to provide any protection. It had been an extremely good 18 months with a great welcome and interest played by all the newspapers, serious and popular, and by television and radio. The Princess of Wales had imagined that the pressures would ease somewhat after marriage. But the public photography was increasingly despondent at the idea that she could not go outside her own front door without being photographed. There was a considerable anxiety about the short-term strain on a girl of 20, expecting her first child, who had not been subject to the same public exposure since early childhood as other members of the Royal Family. In the long term there was a concern that her present feeling of being overwhelmed from a few intrusive photographers would mould her attitude and that of her husband when they were playing an even more important role in the life of the country. It would be a tragedy, it was felt, if her feeling that she could not go anywhere without being photographed led to a change in her attitude to the press. Mr Shea made it clear there were no worries about the health of the Princess and as she hoped to accompany the Prince of Wales on many of his heavy list of engagements next spring, she was concerned to let the people down. Mr Shea said that he hoped that the former voluntary tradition of the press to leave the Royal Family in peace while they were at Sandringham over the Christmas holidays might be resumed this year. Focus on the Princess, page 2

Leading article, page 11

Europe loath to join US-Libya dispute

By David Cross

America's allies in Europe are anxious to maintain their distance from the increasingly bitter dispute between President Reagan and Colonel Gaddafi, the Libyan leader. The two are engaged in a war of words over American allegations that a Libyan assassination squad has been sent to Washington with orders to kill Mr Reagan and other senior United States officials. According to diplomats in London and other European capitals, however, relations between most of them and Tripoli are better than they have been for some time, particularly on the economic front. As a result, the West Europeans are responding with a marked lack of enthusiasm to discreet soundings from Washington about possible joint economic sanctions against Libya. Officials in Whitehall yesterday confirmed a report in this week's *Newspack*, the American news magazine, that Washington was asking London and other West European capitals secretly for

their views on the feasibility of joint action against Colonel Gaddafi. The British Government's reluctance to support any action against Libya is predicated, partly on the belief that economic sanctions are rarely effective and partly on the fear that a trade boycott would probably push Colonel Gaddafi further into the Soviet camp, while alienating moderate Arab states like Saudi Arabia and Jordan. This view appears to be shared by other European nations like France and West Germany. Moreover, Britain and other European nations are benefiting from large increases in their exports to Libya. Last year, for example, British exports to Libya totalled some £288m, which represented an increase of about 25 per cent over 1979. Italian exports rose by a third between 1979 and 1980 to a total of some £1,280m. Indeed, relations between Britain and Libya have warmed.

'Times' chairman resigns

Sir Denis Hamilton has resigned from the chairmanship of Times Newspapers Holdings Ltd and will leave the Board at the end of the year. The directors have elected Mr Rupert Murdoch to be the new chairman of the company. Sir Denis said that he had originally intended to stay only till the acquisition by the News Corporation earlier this year was completed. He had been persuaded to stay on till the end of the year and the now being with every confidence for the future of *The Times* and *The Sunday Times* in the hands of the new proprietors. Mr Murdoch paid tribute to Sir Denis Hamilton's years of service with the company and its predecessors and to the contribution he has made to *The Times* and *The Sunday Times*. "In the long history of these two great newspapers no one stands above Sir Denis Hamilton for his untiring and courageous leadership. He has maintained and fostered the highest standards of independent and professional journalism." He shaped our times, page 10

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NEWS IN SUMMARY

Ford union chiefs vote for strike

The threat of a strike throughout the Ford Motor Company in Britain increased yesterday when senior shop stewards voted to recommend an all-out stoppage from January 5 (Donald Macintyre writes).

The decision came as Ford told its 54,000 manual workers in a special bulletin that it would go out of business unless costs were cut. The recommendation will go before meetings today at almost all the company's 24 plants, except those at Halewood, on Merseyside, where decisions in favour of a strike were taken at the weekend.

Mr Ronald Todd, national organiser of the Transport and General Workers' Union, said after yesterday's meeting of 180 plant works committees members that it had voted "overwhelmingly, with no abstentions, to enter into negotiations as from January 5".

New regulations for gas cars

As fire prevention officers tried yesterday to discover what caused a gas-powered car to explode in Vateley, Hampshire on Monday, new standards for gas fuelled motor vehicles and gas fired appliances in vehicles were being put before Parliament by Mr David Howell, Secretary of State for Transport.

Most motor vehicles now being converted to gas should be able to meet the new requirements, which are based on current good engineering practice.

Some students' fees face cut

The Government announced yesterday that it is proposing to nearly halve the tuition fee for home students on first degree and advanced courses next year, to £450. (Our Education Correspondent writes). That would not affect their fees paid in full.

However, it would reduce the incentive for institutions to admit more students than planned by the Government, as happens with present fee levels.

Army to lose 560 bandmen

Mr John Nott, Secretary of State for Defence, confirmed in the Commons reply that the Army is to lose 560 of its bandmen posts.

The reductions will not come into effect before 1984-85. Only two bands will disappear, those of the Royal Army Medical Corps and the Royal Military Academy Sandhurst.

Tory MP to retire

Mr Victor Goodhew, aged 62, Conservative MP for St Albans, said last night that he intends to retire at the next general election. He said he had twice undergone heart surgery in the past eight years. His majority in 1979 was 17,244.

Unisex lavatories

Westminster Council is to introduce Continental-style unisex public lavatories in the West End in an experiment aimed at cutting costs. They will cost 10p a time to use.

Defiant Tatchell will not stand as independent

By Anthony Bevins, Political Correspondent

Mr Peter Tatchell, the man at the centre of Labour's latest left-right drama, said yesterday he was confident he would remain Labour candidate for Bermondsey, south London, even if the party's national executive refused to endorse him.

After Monday's meeting of the executive's organisation committee, when Mr Michael Foot won a preliminary non-endorsement of Mr Tatchell, there was speculation that the young Australian left-winger would contest an election against any official Labour replacement.

But he said in an independent radio phone-in programme yesterday: "There is no way that either myself or the local party members would leave the Labour Party, stand or work as independents."

"We are members of the Labour Party, and we are determined to stay members of the Labour Party," he added. "I believe there was strong local support for his candidature despite recent events."

If the party were forced to conduct a new selection he was confident he would be "re-elected", he said.

Mr Foot's case against Mr Tatchell has been based on the candidate's statements in favour of extra-parliamentary action to challenge the Government's right to rule. Although several executive members find no grounds for complaint in Mr Tatchell's writings and views, the executive, indeed, refuse endorsement.

One member, Mr Douglas Hoyle, the Warrington by-election victor, abstained in

Monday's vote. But it is thought that he will join other members of the party's left democratic left in supporting Mr Foot. Mr Tatchell's repudiation has now become a matter of party credibility.

Mr Tatchell yesterday spoke out against Mr Foot's stand, speaking to a "committed socialist" on the radio phone-in who said he intended to leave the party, Mr Tatchell said: "For heaven's sake, don't. That's exactly what some people want us all to do. We must not be frightened by the spectre of a new McCarthyism witchhunt in this party."

Mr Tatchell said that the action taken against him had not helped the party. He criticised a section of the party which, he said, in one breath preached tolerance and unity, and in the next damaged the party with its intolerance and divisiveness.

The new wings of the party, the hard left and the rest, yesterday continued to try to battle lines for the campaign ahead.

One hard-left member of the national executive said that Monday had been a day of shame for the Labour Party. He now intended to consolidate opposition to the anti-Tatchell forces.

The argument, and it is a valid one, is that there are many people in the Labour Party who have expressed identical views to those of Mr Tatchell. It is stated that Mr Tatchell has been made a scapegoat for the failings of the party, which could have cured its electoral malaise by adopting an anti-left wing policy passed by its conference.

A briefing on 'Briefing'

By David Walker

Left-wing activists unite in print

One evening each month any curious visitor to the Greater London Council can see a group of youngish men and women in the office of Mr Kenneth Livingstone, the council leader, scissors and paste in hand.

They are the editorial collective—whose membership fluctuates but is based on a hard core of a dozen—of one of the most successful left-wing periodicals in the history of the Labour Party.

It is the chosen vehicle for Mr Peter Tatchell's rehearsal for his version of Labour politics and for Mr Tariq Ali's dramatic conversion to the Labour Party.

It is the publication that for the past 16 months has been naming Labour councillors, committee chairmen and MPs picked out for extinction. It is *London Labour Briefing*.

Briefing, 20 sides of A4 size paper, published each month, began life as the house journal of that loosely knit group of London socialists whose political achievement to date has been the catapulting of Mr Livingstone and two dozen loyal supporters to control of County Hall.

The journal is published by Mr Graham Bash from one of the far left's few outposts in east London, the Ilford South constituency. It circulates between 2,000 and 2,500 copies.

Effort and intelligence comes from an inner circle which often meets at County Hall. Its guiding spirit is Mr Jeremy Corbyn, aged 31, *Briefing's* founder, an official of the

National Union of Public Employees.

As Mr Corbyn told *The Times* recently, the political importance of a local government has grown enormously, and far more people, including those on the left, are interested. That conviction led 18 months ago to the founding of *Briefing*.

It is a vehicle not for ideological debate or, like *Militant*, for evangelism, but for the carriage of information between one group of activists and another. *Briefing* prints model resolutions, often to do with municipal affairs, which supporters then carry to local party policy.

Its flavour is probably best taken from the current (December) issue. Unlike much leftist Labour literature, it is *Humour* and not of slogans is kept to a minimum. However, the front page carries an unsigned article under the rallying cry of Judges keep out.

The article is about Lord Denning and the Court of Appeal's verdict in the case brought against the GLC by the London Borough of Bromley over transport fares. It ends with a warning: "When Courts and Judges, with all their magnificent splendour, render themselves illegal in the eyes of the people, then they invite us—the moment we are strong enough—to sweep them away."

This edition also includes a parliamentary report by Mr Reg Race, Labour MP for Wood Green, who stormed out of Monday's Tribune Group

meeting about Mr Tatchell.

There is Mr Tariq Ali's apology, a criticism of government plans for London docklands, more detailed articles about jobs, low pay, the youth service, nuclear disarmament and women's rights.

A four-page pull-out includes a report on GLC matters by one of *Briefing's* editors, Miss Valerie Wise, the GLC councillor and daughter of the former Labour MP, Audrey Wise.

Its circulation is mainly within London, and especially within Brent, Haringey, Islington, Southwark and Lambeth. It has, also recently, become required reading among progressive Labour Party elements in other parts of the country.

And because of *Briefing's* visibility, some London Labour MPs in the centre of the party have suggested that its circulation list provides a near guide to which Labour Party members ought to be purged.

Indeed, Mr Corbyn is well on his way to securing the parliamentary nomination for the Islington North constituency, where the elected Labour MP, Mr Michael O'Halloran, has joined the SDP.

Mr Corbyn and the *Briefing* editors would prove a much tougher contest than Mr Tatchell. Mr Corbyn, like Mr Tatchell, Mr Corbyn, like Mr Livingstone, is no "enraptured". He has been a Labour Party member since his youth.

SEWERAGE MEN MAY ACCEPT 9pc

By David Felton, Labour Reporter

Britain's 32,000 water and sewerage workers are to be urged by union leaders to accept a 9.1 per cent pay offer agreed with employers in six hours of talks last night.

The offer, similar to that rejected by the miners, will increase basic earnings by between £6.50 and £7.15 a week. Under the deal, holiday entitlement will be increased and there will be rises in shift payments.

At present, average weekly earnings for water workers, including overtime, are about £120.

Mr Edmund Newell, of the General and Municipal Workers' Union and chief negotiator for the four water unions, said last night: "Given the general climate at the moment, I think the membership would be prepared to endorse the trade union side's recommendation to accept the offer, although I do not think there will be a resounding majority in favour."

13% Whitehall claim

The nine Civil Service unions representing 530,000 white collar staff yesterday lodged with the Government a 13 per cent pay claim from next April, linked with a minimum increase of £12.50 a week. Leaders yesterday was a compromise between unions who wanted to go for percentage increases and those in favour of a flat rate rise.

The main pressure for a flat rate claim came from the largest union, the Civil and Public Services Association. The Council of Civil Service Unions, which has submitted the claim on behalf of the nine, told the Government it hoped for early negotiations.

The claim has gone forward while an independent inquiry on a new pay system for the Civil Service is still taking evidence.



The heavy snow clouds over the South and South-east seen yesterday morning from a meteorological satellite.

Thawing London's chaos

"Freezing tonight" was crayoned in large, black letters on the bulletin board at Scotland Yard's traffic control centre yesterday as the evening rush hour gathered momentum. (Stewart Tendler writes).

Within hours what had been a chaotic morning had turned into a chaotic evening, with long lines of traffic crawling over black ice.

The board announced bleakly: "All areas of London suffer very bad road conditions. Very slow moving traffic." On the television monitors, linked to 50 cameras above London junctions, the snow shone deep and crisp and even.

Each day an estimated 314,000 people travel to work in London by road on 166,700 vehicles ranging from buses to mopeds. The inappropriately named rush-hour normally lasts from 7 am to 10 am each morning. Yesterday it finished somewhere about midday, with some drivers having given up and gone back home.

The first warning of a heavy snowfall should have come to the traffic centre at the teleprinter from the Bracknell Weather Centre, in Berkshire, but yesterday morning no one was expecting anything of the kind. Supr Michael Guth, in charge of the control room, first discovered the situation when he threw open the curtains at home in Kent.

"We were caught on the hop," he said. Once in the warmth of the traffic centre on the first floor of Scotland Yard, he and his men began trying to sort out the developing problems. The traffic centre acts both as a clearing house for London's traffic police and supervisor of the computer system which controls 1,022 junctions with automatic signals.

The centre has links with traffic motor cycles out on the roads.

The centre is divided into two areas, central traffic control, which acts as the collator and coordinator, and area traffic control, which monitors the streets.

Princess braves snow to visit local school

The Princess of Wales fought her way through heavy snow yesterday to keep an appointment with 330 children at St Mary's Junior School, in Tebury, Gloucestershire.

The Princess, who is expecting a baby in June, drove through driving snow from her home, Highgrove, just over a mile away.

About 100 people braved the conditions, the first fall of the winter in Gloucestershire, to cheer her as she drove through the school gates to the main building. She went straight into morning assembly, where the entire school sang two carols, "While Shepherds Watched" and "O Come All Ye Faithful". After assembly she visited the schools' 11 classrooms.

The Princess in the pages in the *Daily Mirror* and *Daily Star* (shown below), and another in the *Sun* which helped to precipitate the request for Buckingham Palace yesterday (as reported on page one) to respect the privacy of the Princess of Wales when she is not fulfilling public engagements (David Nicholson-Lord writes).

Mr Michael Molloy, editor of the *Daily Mirror*, which published the shopping picture, described the Princess's request as "perfectly reasonable". He added: "It would be foolish to give an undertaking, because no one can ever give a guarantee of anything. But we will respect the request they have made, as we would wish any other individual."

Mr Kevin MacKenzie, of the *Sun*, who did not attend the meeting at the Palace, was not available for comment.

Mr Lloyd Turner, editor of the *Daily Star*, said: "We will be taking a very hard look at any pictures supplied to us in the future." "We must take notice of what the Palace has said. It is a matter of concern that the Princess should have a private as well as a public life."

He said the pictures of the Prince and Princess kissing were supplied by a freelance and he decided to use them after verifying with Buckingham Palace that there would be no objection.

According to Mr Andy Kyle, the freelance photographer who sold the pictures to the *Star*, the pictures were taken from the road outside Highgrove.

The Princess of Wales visiting St Mary's Junior School at Tebury.

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Cell door Communion rejected

By Peter Evans, Home Affairs Correspondent

Robert Mawdsley, a four-time killer, who was refused permission to attend Wakefield prison chapel services, has rejected the offer of Holy Communion through the caged inner door of his cell.

He has told Lord Avebury, in letter that Father John Galvin, the Roman Catholic chaplain, would have been separated from him by iron bars and the sacred Communion bread (the consecrated host) would have to be passed through the wire mesh at the front.

Mawdsley is one of three prisoners who have been in solitary confinement for at least two and a half years, or three and a half years in his case.

Having killed a man in Wood Green, north London, in March 1974, for no reason, he was found guilty of manslaughter, but with diminished responsibility, and sent to Broadmoor.

In 1977, he and another man killed a third inmate.

Mr William Whitelaw, the Home Secretary, confirmed yesterday that Sir Thomas Hetherington, the Director of Public Prosecutions, had indicated that no criminal proceedings would be brought against the three prisoners.

Mr Robert Kilroy-Glik, Labour MP for Ormskirk and chairman of the all-party Penal Affairs Group, said Mr Whitelaw had said he felt the case was justified over the clash between prison officers and inmates in D Wing at Wormwood Scrubs, London, on August 31, 1979.

But in a written Commons answer he said that a report by Mr Ken Gibson, south-east regional director of the prison service, should be published soon.

Supporters of Mr Whitelaw rallied to his defence yesterday after attacks on the Government's alleged failure to tackle the prison crisis.

Mr Robert Kilroy-Glik, Labour MP for Ormskirk and chairman of the all-party Penal Affairs Group, said Mr Whitelaw had said he felt the case was justified over the clash between prison officers and inmates in D Wing at Wormwood Scrubs, London, on August 31, 1979.

But Mr John Wheeler, Conservative MP for the City of Westminster, Paddington, said he was pleased with the response.

The Government reply to the Home Affairs Committee, Session 1981-82, HC 412 The Prison Service, Cmd 8446, Stationary Office, £2.50.

RESTRICTED MAPS 'IN IRA HANDS'

Restricted maps used by security forces have been found on the edge of a Belfast IRA stronghold, an Ulster "loyalist" claimed yesterday. The maps, showing flight paths and security checkpoints in the province, were produced by Mr Sammy Doyle, a member of the Ulster Loyalist Democratic Party, the political wing of the Ulster Defence Association.

Mr Doyle, who is fighting a Belfast city council by-election today, demanded an inquiry, and said the maps, which he believed were dumped by the IRA, were found in an unoccupied house near the republican Ardoyne district.

An Army spokesman said: "It would appear that these maps are restricted. They are used daily by the members of the security forces. They are not classified as secret."

Mrs Norah Bradford, widow of the Rev Robert Bradford, the murdered MP, will accompany three Ulster Unionist politicians, including the Rev Ian Paisley, to America on an anti-IRA tour next month.

New study of atomic structure of metals

By the Staff of "Nature"

The first results from a new British scientific facility, the Daresbury Synchrotron Radiation Source, were published recently in *Nature*.

The facility has been developed as a powerful new source of ultra-violet light and X-rays. By examining how those X-rays are absorbed by certain metals, a team of scientists has provided a basis for considerably improved models of the atomic structures of metals.

Any charged particle (an electron, for example) that undergoes acceleration will generate electromagnetic radiation, such as radio waves, visible and ultra-violet light and X-rays.

When the particles are travelling close to the speed of light in the presence of a strong magnetic field, they spiral along the direction of the field and in the process produce a highly characteristic spectrum of electromagnetic radiation.

Astronomers have traced the magnetic fields of other galaxies with the help of that "synchrotron radiation".

Their more earthbound cousins, the particle physicists, are also familiar with synchrotron radiation as an undesirable side-effect of their experiments to accelerate charged particles to extremely high velocities.

The particle physicists would much prefer the particles to spend their energy on the forward motion rather than frittering it away in spectacular but (to them) useless radiations.

But there are others for whom synchrotron radiation is an extremely valuable commodity, and it is for them that the Science and Engineering Research Council has provided the new Synchrotron Radiation Source at Daresbury.

The source consists of a circular tunnel into which can be injected fast-moving electrons. Magnets in the tunnel provide a powerful circular magnetic field, which is used to guide and accelerate the electrons to even higher energies.

It is the work of scientists at Daresbury, headed by Dr G. N. Greaves, has now published the first practical results from the new source using a technique formerly known as X-ray Absorption Near Edge Spectroscopy, or XANES, for short.

Source: *Nature*, Nov 12 (vol 294, p139) 1981. © Nature-Times News Service 1981.

BLOWN FUSE HELD UP APT RUN

By Ronald Faux

The Advanced Passenger Train (APT) that failed to start during its return journey to Glasgow on Monday, scattering crockery across one coach, had "blown a fuse", a British Rail official said yesterday.

The breakdown, which came after a highly successful inaugural run from Glasgow to London, was deeply disappointing.

A circuit breaker operated, and in the few seconds before the train took to slow down there was some difficulty, but no serious damage was done and no one was injured," he said.

Blown circuit breakers were not unusual on electric locomotives and technicians were trying to discover why it happened. The APT, which travels along conventional rails at unconventional speeds, will make its second passenger-carrying run from Glasgow today. It is due to enter regular weekday service on January 11.

The circuit break caused an interruption of domestic power to six of the coaches as the express was travelling at 100 miles an hour north of Penrith, in Cumbria.

A fire engine had worked on the fault one coach still refused to start completely and passengers were advised to sit in other parts of the train.

The ill-fated second run was held up on Monday night to let Sir Ian Blair, the BBC's *Generation Game* personality, get off (the Press Association reports).

The return run from Euston to Glasgow stopped abruptly at Penrith, in the Lake District, the spokesman said. Sir Blair, said, of the APT design team on board.

At Euston he was surrounded by the team. "They said, 'Where are you going', and I said, 'To Penrith', and they said, 'That's wonderful, we'll drop you off.'"

"I said, 'You must be joking', but on we went and they dropped me off."

British Rail said yesterday that they had been told the stoppage was for technical reasons. To let Miss Sir Blair leave would have been "highly impractical". He though an internal inquiry was almost certain to follow.

Overseas selling prices. Austria 5.75; Belgium 6.00; Denmark 5.75; France 5.75; Germany 5.75; Greece 5.75; Italy 5.75; Japan 5.75; Korea 5.75; Malaysia 5.75; Mexico 5.75; Netherlands 5.75; New Zealand 5.75; Norway 5.75; Portugal 5.75; Spain 5.75; Sweden 5.75; Switzerland 5.75; Taiwan 5.75; Thailand 5.75; United Kingdom 5.75; USA 5.75; West Germany 5.75.



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Gatwick Hilton International. It comes complete with airport.

STAR THE LOVEBIRDS!

Hug and Kiss from the Daily Star

The controversial pages in the *Daily Star* this week and the *Daily Mirror* in November.

Saturday shopper

and various other offers

NEWS IN SUMMARY

Two Ulster students released

Two of four student union officials from Ulster, held by the Prevention of Terrorism Act since Monday night, were released yesterday.

The four, were taken off a Belfast-bound aircraft at Inverairney airport, Manchester, while the other two, who were released from the Manchester Conference in Liverpool, where they were held, had been released after a meeting of peace and democracy in Ireland.

Yesterday, police announced that all four were being released, but within an hour they had changed their minds and applying for a five-year extension of the detention period, and for an exclusion order which would prevent them from re-entering Britain.

Hikers join in search

Hikers were asked yesterday to join a moorland search for a Derbyshire boy who has been missing for a week in the Peak District. Robert Clarke, aged 13, disappeared after a family argument at his home in Newswell.

Police said that only experienced hikers should offer their help, because of the rising cold and the rugged terrain. There were 45 officers searching the area, using tracker dogs.

Attackers leave pony in agony

Police were hunting yesterday for attackers who hampered a screwdriver deep into a pet pony's head in a field at Dunstable, Bedfordshire. The blade narrowly missed the animal's brain and a veterinary surgeon was able to save it.

The pony, owned by a Dunstable family, was left in agony with the screwdriver embedded three inches into her skull just above the eyes. A police spokesman said: "Anyone who would do that kind of thing to an animal must be sick."

Father abducts two children



Elizabeth von Graevenitz, aged five, whose German-American father, Mr Rudolf von Graevenitz, aged 47, has taken her and her brother Christian, aged two, to America. Their mother spoke yesterday of her "secret nightmare" coming true when her estranged husband telephoned on Sunday to say the children were with relatives in the United States. The boy recently left hospital after an operation, his mother, a nurse, said yesterday.

Jobless scheme faces disruption

Two Civil Service unions plan to disrupt a government move to introduce voluntary registration for unemployed people early next month, because they claim it would lead to more unemployed having their benefit stopped (Our Labour Staff writes).

The unions are planning to block an experiment in 20 unemployment offices, which the Government will use to prepare the nationwide scheme. Unemployed people will have to undergo what the unions describe as "a new stringent test" before they can claim benefit.

Davina Sheffield to marry

Miss Davina Sheffield, a former friend of the Prince of Wales, and once hotly tipped to marry him, is to marry Mr Jonathan Morley, aged 40, a divorced man with two children, at Witney register office, Oxfordshire, on December 21. Miss Sheffield, aged 30, lives at Ramsden, near Witney. Her fiancé, who was formerly married to a daughter of Sir Max Aitken, is a London commodity broker.

Harmony restored

On the eve of an industrial tribunal hearing, dispute about the dismissal of Mr Keith Rhodes as organist and choirmaster of Bradford cathedral has been settled by the introduction of the Bishop of Bradford, Geoffrey Paul.

Test fee may rise

Mr David Howell, Secretary of State for Transport, announced yesterday that he was consulting interested organizations about increasing the driving test fee from £10.30 to £13.

Fewer teachers than expected to lose their jobs

By Diana Geddes, Education Correspondent

Big cuts in education, particularly in staffing, will have to be made in 1982-83 but they will not be nearly as bad as feared, a confidential Department of Education and Science paper suggests.

The DES paper which sets out in detail the implications for education of the Government's revised expenditure plans for 1982-83, announced last week, is due to be discussed by local authority and DES officials at a meeting today of the joint Government-local authority expenditure steering group on education (ESGE).

The Government's revised plans for total local authority expenditure next year are based on the assumption that £9,190m will be spent on education, that is £286m more than originally planned, though still about 1 per cent less in real terms (after allowing for inflation) than the estimated current level of local authority education expenditure.

The paper suggests various ways in which the "extra" £286m might be spent to ease the planned run-down of the education service in certain areas. Part of that run-down is in respect of the expected drop in total pupil numbers of about 3 per cent between this year and next.

The biggest increase in original planned expenditure proposed by the DES is in respect of school teachers, which it suggests should go up by 66m.

That will save 5,000 jobs next year, but it will still mean that 13,000 jobs will have to go, even after allowing for the employment of 2,000 more teachers under the £50m scheme for additional education for 16-19-year-olds.

The DES proposals assume that a further 15,000 teachers' jobs would be lost in 1983-84, followed by a further 10,000 in 1984-85, meaning a total reduction of 38,000, or 9 per cent, over the three years from the present estimated total of 418,000 full-time teachers in England. About 20,000 jobs have been shed over the past two years.

The DES acknowledges that some of the job losses will have to be compulsory. It suggests that the cost of redundancies and premature retirements next year could be as much as £20m.

While in comparison with government plans local authorities are over-spending on teachers, they appear to be substantially under-spending on books and equipment. Spending per pupil, which was down by about 5 per cent in 1979-80, was down again last year by 2½ per cent for primary pupils and 4.2 per cent for secondary pupils.

The DES is concerned that schools are becoming increasingly dependent on voluntary contributions, and that they may have increasing difficulties in replacing stocks of old books, and in providing necessary scientific equipment.

It proposes that £20m extra should be spent on books and equipment to bring the level of provision back to those of 1978-79.

Heseltine fears defeat in courts

By David Walker

Local councils may escape a £300m penalty for over-spending because Mr Michael Heseltine, Secretary of State for the Environment, fears the courts would not support him if he was challenged on its legality.

Unless he can rescue the local Government Finance Bill, now stalled in the House of Commons because of Conservative opposition, Mr Heseltine will have no basis for his penalty other than a law last year, about which his officials are extremely dubious.

The local Government Finance Bill contains a crucial clause 12, which was specially written to cover the penalty retrospectively. It was included in the Bill because officials were anxious about the successful challenge by six London boroughs to Mr Heseltine's power to withhold grants.

That case succeeded because clause 12 was held in the Court of Appeal to have acted illegally under transitional arrangements in operation between the abandonment in 1979 of the support grant system and the introduction by the Conservative's Local Government, Planning and Land Act, 1980.

However, civil servants are not convinced that the 1980 Act "reverses" Mr Heseltine's £300m penalty. Originally intending to cut £450m from councils' grants in 1981-82, Mr Heseltine announced last September that he was withdrawing a total of £300m from councils that had failed to cut their spending in accordance with government targets.

Originally the Department of the Environment had planned to issue a "supplementary" rate support grant report, probably at the same time as it announces the rate support for next year, on December 21. The penalty would then have been subtracted from the fortnightly payments of grant to councils during the rest of the financial year.

But the threat of several of the larger Labour councils challenging that move, with the case winding its way through the courts to the House of Lords, stirred officials to make their legal position cast-iron; hence clause 12.

Now that the Bill has stalled, Mr Heseltine faces great pressure of time. The later he leaves a final decision on the penalty, the bigger the cut certain councils have to make before March 31. A decision left any later than January will throw the finances of certain councils into chaos.

Mr Heseltine is considering whether to reintroduce the Local Government Finance Bill short of all its controversial clauses to do with rates and referendums.

But there is a wide divergence of views on how to tackle the matter.

The CLA, with the not altogether wholehearted support of the NFU, which has many tenant farmer members, had proposed that the succession right should apply only to existing tenancies and not to new ones. It also wanted changes in the rent system to correct what it termed anomalies.

Yesterday Labour's national executive said that the proposals would not ensure that more land became available for letting, and would create two types of tenancies, those with protected succession and those without. They were also likely to increase rents, which the NEC considered were already too high.

Last night Sir Richard Butler, president of the NFU, and Lord Middleton, president of the CLA, described the NEC's rejection as an extremely disappointing and negative reaction. "Unless legislation is implemented, the tenancy system, which has served agriculture so well, will inevitably die," they said.

Left aim to nationalize farmland

By John Young

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King of Beasts: Raz-a-ma-Taz, a 13-month-old cross-bred steer, which was judged Supreme Champion at the Royal Smithfield Show at Earls Court, London, yesterday, with the trophy and his owner, Mr James McKechnie, Renfrewshire.

Jail for a left-wing 'hit squad'

From Our Correspondent, Manchester

A college lecturer and eight students who formed themselves into a left-wing "hit squad" and went looking for right-wing rivals were sent to prison at Manchester yesterday.

Judge Gerrard told them: "I must make it clear to you that this country will not tolerate conduct like yours—Russia or other countries maybe, but not this one."

The nine had pleaded not guilty to kidnapping a youth aged 16 in Rochdale, and the prosecution offered no evidence on that charge. But they admitted possessing offensive weapons when they bundled the youth into a van and made him reveal the names of National Front members living in the town.

The weapons included a two-foot baton studded with nails, a sledge hammer, a length of iron tubing and a cosh.

In the dock were John Penney, aged 23, a sociology lecturer of Northwich, and Brian Broadley, aged 21, of Bolton; Michael Burrows, aged 31, of Stockport; Robert Platt, aged 27, of Stockport; Stephen Cooper, aged 24, of Withenshaw, Manchester; Mark Kent, aged 22, of Macclesfield; and Paul Hall, aged 20, of Stockport. They were charged with kidnapping the youth, aged 16, in Rochdale, and the prosecution offered no evidence on that charge. But they admitted possessing offensive weapons when they bundled the youth into a van and made him reveal the names of National Front members living in the town.

Passing sentence, the judge said he was appalled at the squad's conduct. "The weapons you took with you were quite dreadful and capable of inflicting the most serious injuries, indeed of killing in some cases."

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Parliament today
Commons (2.30): Questions
and Debates on common-
wealth policy and on heavy tax
on Opposition - motions
(2.30): Debate on defence

New will escape seat belt compulsion

By Peter Waymark
Motoring Correspondent

The Government has decided that there should be a minimum of exemptions to the law requiring car drivers and front seat passengers to wear seat belts, which will probably come into effect next summer.

Mr David Howell, Secretary of State for Transport, said yesterday that exemptions would be controversial and he did not want to impose compulsion on anyone in circumstances where it would be undesirable.

But to grant exemptions widely would give rise to a sense of unfairness, reduce the potential for saving casualties and increase enforcement difficulties for the police. He said the exemptions for which there was a clear case were provided for in the recent Transport Act.

They were drivers when reversing, local delivery roundabouts, holders of signed medical certificates indicating that belt-wearing was inadvisable.

Additional exemptions proposed by Mr Howell, and subject to approval by Parliament, include police officers escorting civilians, prison officers in the front passenger seat when escorting prisoners, and firemen donning equipment on the way to an emergency.

Mr Howell added: "I will, of course, consider very carefully arguments in support of other claims put forward, but these claims would have to be based on the most compelling reasons."

Mr Howell has ruled out exemption on the ground of conscientious objection, arguing that there is no means by which the degree of sincerity could be tested.

Failure to wear belts will carry a fine of up to £50, but will not be an endorsable offence. There will be a similar penalty for drivers who allow children between the ages of one and 14 to travel in the front seat without being restrained. Babies under the age of one will be allowed only on the back seat.

On children, Mr Howell said the law was laying down minimum requirements. He hoped parents would give their children a higher standard of protection. The ideal was for children to travel in the back seat in an appropriate seat or harness.

He did not foresee difficulties in enforcing the law, since most people accepted that wearing belts could save lives. But he was planning an early publicity campaign to remind the public of the need for the measure.

He was also arranging for belt manufacturers to advise on how people could make their belts more comfortable, for instance, by changing the height of the anchorage point.

The present wearing rate is about 30 per cent. The Government estimates that if all car occupants wore belts 1,000 lives and 10,000 serious injuries could be saved in a year, and an 80 per cent rate could save 750 deaths and 6,500 serious injuries.

The law will not apply to lorries, coaches and electric goods vehicles such as milk floats, or to vehicles registered before the fitting of belts became compulsory.

Lennon anniversary

Thousands gather to honour dead Beatle

From John Chartres, Liverpool

Bunches of flowers, wreaths and lighted candles were placed yesterday at the foot of a statue of John Lennon in Mathew Street, Liverpool, the site of the original Cavern Club, where the Beatles played in their early days.

Several thousand worshippers of the Beatles cult converged on the city for the first anniversary of Mr Lennon's murder in New York. A late night vigil and open air concert took place outside St George's Hall, in the centre of Liverpool.

The visitors included several foreign television teams and a party of Japanese. Five hundred stewards were recruited by Mr Sam Leach, who organized the commemoration arrangements.

The "Cavern Mecca", a Beatles museum and information centre 100 yards down Mathew Street from the site of the original Cavern (now a car park), did brisk business with admission at 30p a head, and with T-shirts, scarves, books and records on sale. The centre has obtained more than 2,500 signatures in its visitors' book since it opened earlier this year.

On Monday it was announced that the original Cavern site may be re-excavated and a shop and office complex built above it, with a restoration of the original Cavern club as a centrepiece. The project, estimated to cost £7m, will shortly go before Liverpool city council for planning approval.

Mr David Backhouse, the architect for the scheme, said yesterday that he believed some of the structure of the original Cavern Club would be exposed when the site was re-excavated. It was covered over after its use as a shaft for the building of the Merseyside underground railway in 1973.

The 14ft statue of Mr Lennon, showing him wearing jeans and with his guitar in one hand and displaying a peace sign with the other, has been executed in glass fibre and steel by a local sculptor and devotee, Mr Allen Carran.

It has stood for some weeks in the Liverpool Everyman Theatre, where the musical play "Lennon" is running, and was moved temporarily to Mathew Street yesterday. A £10,000 appeal is under way to have it cast in bronze and then made a permanent exhibit either in the open in Mathew Street, or in a re-created Cavern.

Proceeds from last night's production of "Lennon" at the 400-seat Everyman Theatre are to be given to charity. Brisk business was also being done by Liverpool City Council public relations department in sales of Beatles calendars at £1.50, a Beatles map at 50p, and a poster showing the original Cavern at 50p.



Sandra Brogan, of Liverpool, laying a floral tribute on John Lennon's statue yesterday.

Wide scope for test tube baby method

By Nicholas Timmins

The test-tube baby technique could become a simple, regular procedure in district general hospitals in the not too distant future, according to a leading article in *The Lancet*.

That would open up all sorts of possibilities. Women from whom ova cannot be obtained would become pregnant from an ovum donated by another woman, in much the same way that couples can benefit from artificial insemination by donor (AID), where the man is infertile.

A woman whose offspring would risk inherited disease could receive ova from another woman; and where infertility is due to both partners, "embryo adoption" might be possible.

That would involve an ovum donated by another woman, and sperm perhaps from a sperm bank, producing a child adopted shortly after conception rather than after it is born. It would offer the fulfilment of pregnancy, childbirth and parenthood, *The Lancet* says.

The journal argues that the success at Cambridge, where there are now 60 continuing pregnancies and six successful births, and in Australia, suggests that one successful pregnancy will result from every 10 to 15 transfers of test-tube fertilized embryos.

Many questions still remain to be answered about the best moment to transfer the fertilized embryo back to the mother, whether it should be when it has developed to two, four, eight or sixteen cells. Other technical details such as the minimum number of sperm needed to achieve successful fertilization have still to be resolved.

But *The Lancet* says "it is not hard to envisage the day when *in-vitro* fertilization and embryo transfer (the test-tube baby technique) is simple and reproducible."

The procedure is unlikely to replace standard treatments, such as fertility drugs for women who do not ovulate, or surgery for certain diseases of the fallopian tubes, which carry the egg to the womb. It might however complement them.

The article suggests that some of the criteria previously stated to be necessary for success are now open to question.

Mr Patrick Steptoe and Dr Robert Edwards, who produced the first test-tube baby and now run the Cambridge centre, abandoned the practice of using fertility drugs to stimulate ovulation in order to make it easier to collect eggs for fertilization.

They argued that this produced abnormal hormone responses, which might hamper the embryo's chances of implanting successfully in the womb. The Australian groups, however, still use fertility drugs and produce live births and pregnancies at a similar rate to Steptoe and Edwards.

The Lancet also argues that inducing ovulation in that way is cheaper and more convenient

Jobs battle brings sex equality challenge

From Tim Jones
Merthyr Tydfil

Redundancy agreements throughout British industry are being examined to determine whether they contravene the Sex Discrimination Act. The Hoover company has decided to suspend planned redundancies for six months at its Merthyr Tydfil plant after women workers complained to the Equal Opportunities Commission.

A decision on more than 200 redundancies at the plant, required to make it viable, has been delayed so that management and union officials can agree on a formula which is seen to treat both sexes equally.

The dispute has created a situation which the company cannot under present agreements win, as it is faced with a stark choice of possible industrial action or prosecution under the Act.

When the company announced the redundancies the male-dominated unions at the plant said men and women workers should be treated separately and that the most junior of each sex would go. That would mean 40 female redundancies.

Women workers, however, said redundancies should be on a last in, first out basis, and reported the matter to the commission.

The commission backed the women, all of whom have been employed for many years.

Woman took schoolboys to bed

Schoolboys queued outside a Scarborough council house for sex lessons with a mother of three aged 21, York Crown Court heard, yesterday. The "bizarre and thoroughly unpleasant" case came to light after an anonymous telephone call to the NSPCC. Mr Paul Worsley, for the prosecution, said Mrs Catherine Hopkins, housewife, of High Garth, Eastfield, Scarborough, admitted four offences of indecency involving boys aged between 10 and 12, and one offence of encouraging indecency between a boy of 11 and a baby aged 20 months.

A charge of cruelty involving the baby and two further offences of indecency, which she denied, were ordered to lie on the file by Judge Bennett.

Mr Worsley said that schoolboys regularly visited Mrs Hopkins's house, where she would occasionally give them cider.

On one occasion, he alleged, there were five in a bed, one boy with Mrs Hopkins and two with another woman, who has already been dealt with by the court. Neighbours became concerned when they saw boys jumping from a balcony at the house and Mrs Hopkins, dressed only in brassiere and panties, purging them inside the house.

Imposing a two-year probation order, the judge said Mrs Hopkins had already spent four months in custody, her three children were in care and the future of her marriage was in doubt.

15 minutes after the meeting started is no time to wish you'd taken the train.



Left-wing drive to resist reform of TUC council

By Donald Macintyre, Labour Correspondent

The mainly left-wing unions opposed to reform of the TUC General Council have quietly opened a campaign to overthrow the proposals approved by congress in September.

A private meeting of union leaders last month marked the first stage of what is expected to be a concerted effort to ensure that plans for automatic representation for larger unions are not enacted.

The "invitation only" meeting in a London hotel, chaired by Mr Alexander Kitson, deputy general secretary of the Transport and General Workers' Union, was held partly to assess the strength of opposition to the proposals, which were comfortably approved by congress despite the opposition of the general council.

The plans, first put forward by the Post Office Engineering Union, would end the division of the TUC into 18 trade groups and give one representative on the general council to each union with more than 100,000 members.

The proposals would allot additional representatives to unions with 500,000 members or more, according to a sliding scale based only on size. They would put at risk several leaders of small, mainly craft-based, unions, most of whom are at present left-wingers who rely partly on the continued electoral support of the TGWU.

Last month's meeting, though dominated by the left, included some right-wingers who opposed the postal workers' proposals. Conversely, two unions normally thought of as left wing, the National Union of Public Employees and the Association of Scientific, Technical and Managerial Staffs, were

not represented because they supported the postal workers' proposals.

The daunting task of giving practical force to the proposals in a way that will command majority support and provide some representation for the smaller unions on the general council has been handed for the present to the TUC secretariat.

The planning and general purposes committee will then consider a Congress House paper on the subject before making definite proposals, as it is charged to do by the motion approved by Blackpool, to the TUC General Council and subsequently to next year's congress in Brighton.

In the meantime both the right-wing camp, in which the Amalgamated Union of Engineering Workers is prominent, and the left will be trying to bring pressure on waverers to come over to their side on the reform proposals.

Participants at last month's meeting have been reluctant to talk about what was said, but it is clear that most present agreed that while reform of the systems was required it should not provide for automatic representation.

Some of the more hawkish opponents of the reforms believe that NUPE and ASTMS may both be open to pressure to revise their stance in the discussions behind the scenes, provided an acceptable form of compromise can be worked out and the two unions are guaranteed support for their candidates to the newly expanded women's section of the General Council. The TGWU, for example, voted last month against Mrs Owen Davies, the NUPE candidate who failed to win a seat.

The traffic jam is an all too familiar sight on Britain's roads. But whoever heard of a jam in a train?

So far in 1981, on principal Inter-City routes, 89% of trains have arrived within 10 minutes of stated arrival time.

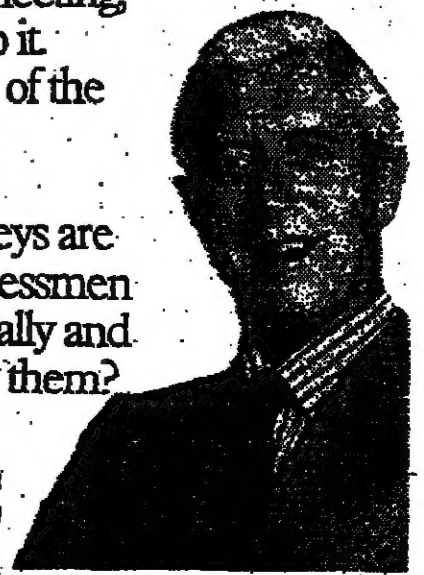
On individual routes the figures were higher. From London to Derby, Nottingham and Sheffield for example, the figure was 93%. From Newcastle to Liverpool it was 94%. From Glasgow to Edinburgh, 95%.

By car, it only needs something as simple as a spell of heavy rain and a road accident and your schedule is wrecked. And how do you explain that away to your colleagues?

The train can whisk you to your destination at speeds up to 125 mph in air conditioned comfort. With special ergonomically designed seats it allows you to forget you ever suffered from cramp and back ache. And instead of admiring the boot of the car in front you can admire the scenery. If you've work to catch up on before a meeting the train is the ideal place to do it. And after the meeting, instead of the long drive home, you can start to unwind.

Over 50 million rail journeys are undertaken each year by businessmen who arrive at meetings punctually and relaxed. Isn't it time you joined them?

This is the age of the train ➡



Cheysson scorns EEC efforts in Middle East

From Christopher Walker, Jerusalem, Dec 8

Serious doubt has been thrown on the future of the European initiative for the Middle East after a visit to Israel during which M. Claude Cheysson, the French Foreign Minister, rejected the idea of any such outside intervention and dismissed parts of the 1980 Venice Declaration as absurd.

Interviewed on Israeli radio today, M. Cheysson said "It is up to the countries in the region to decide about their own future. The European would not accept that there should be an American initiative or a Russian initiative or a Brazilian initiative to tell us what we should do among us Europeans."

The minister said it had been both "wrong and absurd" for the Venice Declaration of the EEC to adopt an anti-Camp David stance.

The outspoken language used by M. Cheysson, the first French foreign minister to visit Israel for five years, has delighted the Israelis as much as it is likely to upset some of those EEC governments most closely associated with the Venice Declaration, notably Britain.

Before M. Cheysson left Tel Aviv tonight, his Israeli counterpart, Mr. Yitzhak Shamir, told a press conference that the 24-hour visit had "opened a new era" in relations between the two countries.

He was expected to further re-emphasize when President Mitterrand pays a three-day visit to Israel in February.

Israeli officials are now expressing optimism that the coldness which has marked relations with France for the past few years has now been transformed, although it is admitted that wide differences of view still exist on the Palestinian issue.

Explaining the French Government's approach, M. Cheysson said the anti-Camp David tone of the Venice Declaration had been "wrong" because Camp David is process... absurd, because who can think there can be peace without Egypt and who can think that the Americans have no role to play.

M. Cheysson added that although there were some "excellent things" in the Venice Declaration, Europe had now gone beyond it. He cited specifically the offer to contribute four EEC contingents to the Sinai peacekeeping force, an offer which France has not accepted.

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US plans ways of dealing with Gaddafi

From Nicholas Ashford, Washington, Dec 8

For the second day in succession President Reagan presided over a meeting of his National Security Council this morning to discuss possible punitive economic and political measures against Libya.

This action was unusual and reflects both the urgency with which the Administration is considering the situation and also the difficulty in taking any effective steps against Colonel Muammar Gaddafi's regime.

An American policy review has been under way for three months, well before the Administration's latest concern over reports that the Libyan leader had sent agents to the United States to assassinate President Reagan and other American leaders.

These reports were denied by Colonel Gaddafi during an interview on American television last weekend, and yesterday President Reagan confirmed that the United States had evidence of a Libyan assassination plot.

Despite Mr. Reagan's remarks, there is still considerable doubt in Washington that the Libyan leader planned anything quite as dramatic as the assassination of the President of the United States.

Some observers feel that the Administration is giving official credence to reports about Libyan assassination squads, is attempting to develop a pretext for taking action against Libya, with the intention of cutting Colonel Gaddafi down to size.

This is denied by Administration officials who point to the Libyan leader's past record of supporting terrorist activities around the world as evidence of what Colonel Gaddafi is capable of doing.

According to press reports, much of the information about the alleged Libyan assassination plot came from a foreigner who was in Libya and said he heard Colonel Gaddafi give the orders. This man, who is said to have been involved in training assassination agents, is now in the custody of the Central Intelligence Agency where he is being interrogated.

Colonel Gaddafi, in a message to the Afro-Arab center in London, said he was ready to intervene in any part of the world in order to take part in what he called the struggle against the powers of evil (Reuters reports).

Dr. Michael Ruse, a professor of the history of the philosophy of science at the University of Oxford, testified that creationism did not meet the necessary qualifications of science.

"Science has to be explanatory, testable, falsifiable, and tentative. As a body of knowledge it has got to be public, objective, respectable and honest."

But creationism is not explanatory because of its ad hoc hypotheses that are not scientific but evoke a creator. It is not tentative because nothing is going to shake their belief.

"It is not responsible because it plays itself off as hand by quoting evolutionists out of context, and it is not honest because it claims to be scientific while it is pushing religious beliefs."

Creationism is not a science, it is a religion," he said. He was cross-examined by Mr. David Williams, the assistant state Attorney-General, who suggested that creationism was at least as scientific as evolution.

On the opening day the ACLU attacked the Act by attempting to prove that creationism was a product of fundamentalist religion and therefore violated the First Amendment that separates state and religion.

The first witness called by the ACLU was Bishop Kenneth Hicks, head of the United Methodist Church of Arkansas. "I believe God created us," he said. "But I believe God to try and circumscribe how he did it." He suggested the description in Genesis was simply a peg for ideas of greater principle. He also said the new law had been introduced by people who adhered to a literal view of creation.

The law, due to come into force next year, requires that teaching creationism be limited to scientific evidence supporting the sum creation of the universe, energy and life from nothing.

They voted in the last election, and more recently the Greek Parliament have authorized the government to undertake measures necessary to ensure the security of our country and to legitimize our interests.

"It is within this framework that we are forced to consider a process of disengagement from the agreement, which is prejudicial to Greece, does not guarantee our frontiers and undermines the existing status quo in the Aegean, which has been established by international agreements and treaties."

Although an ally within Nato, Turkey posed a threat to his country's security, Mr. Papandreu said. It was a unique situation in Nato where other countries could protect their own territorial integrity by joining the alliance in the case of Turkey's threat actually came from another ally to the east.

Greek threats to the Rogers plan must be taken seriously.



"It seems Gaddafi means business: now he's granting you a last wish"

Creationism case curb is rejected

From Our Correspondent, Little Rock, Arkansas, Dec 8

Creationism was emphatically rejected as a religion by a witness today in the Little Rock court hearing the American Civil Liberties Union's challenge to the Arkansas law that requires state schools to give balanced treatment to creationism and the theory of evolution.

Dr. Michael Ruse, a professor of the history of the philosophy of science at the University of Oxford, testified that creationism did not meet the necessary qualifications of science.

"Science has to be explanatory, testable, falsifiable, and tentative. As a body of knowledge it has got to be public, objective, respectable and honest."

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Greek threats to the Rogers plan must be taken seriously.

Mitterrand booed and cheered by managers

From Charles Margrove, Paris, Dec 8

President Mitterrand was greeted with boos and catcalls from an audience of French businessmen when he arrived at the Ecu Hotel last night for the opening of the summit conference of the European Council.

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EEC tries informal line to end differences

From Ian Murray, Brussels, Dec 8

European foreign ministers are to meet informally in London on Monday and Tuesday in a last attempt during the British presidency of the EEC to solve the Community's tangled financial problems.

Announcing the dates at the end of the last full Foreign Ministers' Council he held in Brussels, Lord Carrington, the Foreign Secretary, said a solution was the overriding concern of the British presidency.

"The problems are immensely complex and it is not going to be easy," he said. "We will be striving to establish guidelines of sufficient severity to enable the problems to be solved."

This effort was called for after the European summit meeting in London last month failed to agree the necessary guidelines for reform of the common agricultural policy and budgetary contributions. After the summit, Mrs. Margaret Thatcher identified four crucial points at stake in the way of settlement. These four points form the basis of next week's agenda.

Three of them involve the agricultural policy. These are milk production, Mediterranean products, and how large a proportion of the budget should be spent on agriculture. Until these questions are resolved, no progress can be made on the fourth point, which most interests Britain—the size of budgetary contributions.

During the dates proved a complex negotiation in its own right, as did the exact format of the meeting itself. France was anxious to have arrangements as informal as possible. The foreign ministers' meeting held at Brinkley Hall in Hertfordshire at the beginning of the British presidency.

The difficulties of providing adequate facilities, particularly for translation, in the end meant that Lancaster House was chosen as the venue. However, each foreign minister will be assisted by only two officials and Lord Carrington will be trying to recreate the friendly atmosphere of the Brinkley Hall meeting in the belief that this is the best way to reach agreement.

He suggested that he hoped to achieve as much over the informal dinner, the ministers will have together on Monday evening as during the meeting proper on Monday afternoon and throughout Tuesday.

Lord Carrington said the aim was to try to pick up the argument from the point which had been reached during the summit. Now that everyone had a clear idea of what the issues were, he felt it would be easier to address the real problems.

The guidelines being sought, he said, would have to be very clear. There was no point in producing general guidelines which would have to be applied to begin all over again once an attempt was made to apply them. Once decided, the guidelines would be passed to the specialist councils for detailed agreements.

A brief how long all this might take was given by today's decision of the Foreign Council to extend the Community's existing trading arrangements with Cyprus by six months. An arrangement which had been agreed in principle last year, but which had not been put into effect in the new year, but French and Italian opposition has ruled that out.

Resolving the outstanding question about a market for Mediterranean produce as part of the reform of the common agricultural policy would, however, make it possible for these two countries to work towards the new deal with Cyprus.

The hope that the six-month breathing space will be enough to achieve this, although Lord Carrington said the short-term Cyprus proposal was "not good enough."

SALIM IS OUT OF ELECTION

From Our Correspondent, New York, Dec 8

Mr. Salim Ahmed Salim, the Foreign Minister of Tanzania and the Third World Voice for United Nations Secretary-General, today asked for his name to be withdrawn from further consideration for the post of Secretary-General of the United Nations.

Mr. Salim made his announcement at a press conference after a final, but fruitless effort to persuade the United States to support his candidacy.

It appeared unlikely that Dr. Salim would be able to present himself as the post, which made a similar announcement last week, would be reconsidered by the Council and given an extension to his term.

The extension now is that the Council will begin consultations on the seven compromise candidates.

The list includes Señor Javier Pérez de Cuellar of Peru; Señor Carlos Quirós of Costa Rica; Señor Jorge Araya of Argentina; Señor Jorge Castañeda of Colombia; Señor Jorge Illueca of Mexico; Señor Jorge Irujo of Spain; Señor Shridath Ramphal of Guyana; the Commonwealth Secretary-General, Mr. R. K. Prasad of India; and Señor Sadruddin Khan, the former United Nations High Commissioner for Refugees.

Prince Sadruddin was emerging as the favourite.

NEWS IN SUMMARY

A Russian sues KGB for £10,000

Moscow.—A Soviet court ruled that it did not have authority to give judgment in the first known case of a citizen suing the KGB security police.

Viktor Tomachinsky claimed 13,400 roubles (about £10,000) from the Soviet Interior Ministry and the KGB as compensation for the earnings he alleged he had lost because the authorities had broken a promise to give him a visa to emigrate and work in the United States.

Mr. Tomachinsky, aged 36, a motor mechanic, argued his case without the help of a lawyer during a half-hour hearing at the Moscow City Court. He told the three judges that in January the Interior Ministry and the KGB formally agreed to grant him a visa to emigrate. But the authorities had broken the agreement and Soviet law by failing to issue a visa to him or his family, he added.

The case was attended by 18 relatives, friends and acquaintances of Mr. Tomachinsky and by Western correspondents. The judges, one man and two women, listened impassively during the hearing and after a 15-minute recess ruled that the case was beyond their jurisdiction.

El Salvador wins OAS support

Castries, St. Lucia.—El Salvador won a diplomatic triumph when the Organization of American States voted overwhelmingly in support of its United States-backed case against the guerrillas in El Salvador.

A motion of support, presented to the annual assembly of the organization by El Salvador, Costa Rica and Honduras, was passed with 22 votes in favour, three against and 15 abstentions. The vote was seen as a regional rejection of a Franco-Mexican declaration last August which recognized leftist guerrillas fighting to topple the Salvadoran government as a politically representative force.

In last night's vote Mexico, Grenada and Nicaragua voted against the motion while Suriname, Trinidad and Tobago, St. Lucia, St. Vincent and the Grenadines, St. Kitts and Nevis, and Guyana abstained.

The motion also condemned any act that constituted a "violation of the principle of non-intervention" and said El Salvador's internal problems could only be resolved by El Salvador itself.

Robot kills man in factory

Tokyo.—A factory maintenance worker was fatally injured when a robot suddenly started to move, pinning him in the back and pinned him against another machine. It was Japan's first recorded death in a mishap involving an industrial robot.

The incident occurred last night at a Tokyo factory but was reported only after an investigation had been completed. The inquiry said the victim was guilty of carelessness but also found that safety measures in the plant were inadequate.

Gunmen pull off biggest robbery

Sydney.—Two identically dressed gunmen in stocking masks took A\$3m (about £1.5m) worth of jewellery in what is Australia's biggest robbery.

The men, both armed with heavy calibre pistols, forced a security guard to turn off alarm systems and video monitoring cameras. They then entered the store, the country's biggest dealer in gold, bullion, diamonds and precious gems.

Days of wine and business

Tokyo.—Ever-anxious to fete their guests and keep the wheels of commerce moving, Japanese corporations last year spent a record 3,100bn yen (about £7,300m) on entertainment, according to a new survey by the national tax administration. The year's corporate bill for wine and dining cost more than 1,000bn yen.

The survey also found that the country's biggest spender on entertainment was the hospitality industry, with 1.5 million companies for the year ending on January 31, 1981. Wholesalers and construction companies topped the list of big spenders.

German general wins peace medal

Berlin.—General Gert Bastian of West Germany who has been campaigning against Nato rearmament plans, has been awarded a medal by the International League for Human Rights, its West Berlin spokesman said.

General Bastian left the armed forces last year after being relieved of the command of a tank division for criticizing plans to station new United States medium-range nuclear missiles in West Europe.

Shopper shot at road block

Turin.—Paramilitary police shot and killed a Christmas shopper who reached the city quickly for his identity card at a road block here. Two policemen have been killed in Rome and a third wounded in right-wing terrorist attacks in the past few days.

Polish Primate speaks against emergency law

The Primate of Poland, Archbishop Jozef Glemp, in a letter to all members of the Warsaw Parliament warned of the serious consequences that could result from the adoption of a law giving the Government emergency powers.

Mr Janusz Zablocki, an MP who heads the Catholic-Social Polish Union (Formerly ZNAP), said the letter, signed by Archbishop Glemp and MGR Bronislaw Dabrowski the secretary of the conference of Polish bishops in the name of the Church, was addressed to the Parliament President (Speaker) and to parliamentary leaders.

The adoption of an Emergency Powers Law, advocated by the sixth plenum of the Communist Party's central committee, might "disturb domestic peace, break off ties of understanding so difficult to establish, and spark off a serious social conflict", the letter says.

Referring to Solidarity's decision to call a general strike, if the Government introduced emergency legislation, the letter says: "The country is not currently threatened by large-scale strikes", but members of the independent union might force a strike if such legislation were adopted.

"Considering the welfare of workers, along with that of the State, the Church, which has shared for a thousand years the good and bad fortunes of our nation, warns the popular republic's Parliament against the adoption of a decision that would tragically weigh on the destiny of our country", the message says — AFP.

The Polish Communist Party, alarmed at the large number of defections from its ranks, is to hold a high level meeting tomorrow to consider how membership can be increased urgently (Roger Boyes writes).

Solidarity faces a media offensive

By Our Foreign Staff

For the past three days the Polish authorities have been conducting an offensive in the media against the independent trade union Solidarity, using as proof of the union's aims some taped statements leaked from a Solidarity National Committee meeting in Radom over the weekend.

The taped remarks, which Solidarity says are genuine but used out of context by the official media to give a false picture of the union, have been broadcast repeatedly in a special programme entitled: "Who wants confrontation?" and widely reprinted in the press.

In the tapes various speakers, including Mr Lech Walesa, Solidarity's leader, heard discussing topics including control of the economy, establishment of a provisional government and formation of worker militia groups. The meeting eventually produced a statement much milder than the taped comments suggest.

The following are extracts from the tapes published as "key formulations" by the Polish news agency PAP and provided by the BBC monitoring service: Walesa: "Confrontation is

number of defections from its ranks, is to hold a high level meeting tomorrow to consider how membership can be increased urgently.

The commission on "party life" which advises the policy-making Central Committee will try to define, if not cure, the malaise in the party and work out how it can meet the challenge from Solidarity, the independent trade union organization.

Membership of the party has fallen from 3.2 million to significantly below 2.5 million since the strikes of August 1980, while Solidarity can claim a membership of between nine million and 10 million members.

It is from this position of grass roots weakness that political leadership is having to negotiate on power-sharing arrangements with Solidarity.

According to Mr Wlodzislaw Mokrzycki, an alternate member of the ruling Politburo, over the past 15 months about 244,000 have left the party and 180,000 have been expelled.

The expulsions were either because of the members' radical reformist tendencies or because they were too closely associated with the rule of the now disgraced Polish leader, Mr Edward Giermek. Mr Giermek himself has been expelled from the party.

If the defections from the party had been confined to this level, the leadership could probably have tolerated the situation. But local Communist activists talk of many more "face defectors" and a widespread reluctance to attend party meetings and at best only passive participation in party work in factories.

Most disturbing of all for the party leadership is the fact that party committees at factories are responsible largely for ideological guidance — are constantly being challenged by Solidarity.

Low Russian profile

From Olli Kivinen, Helsinki, Dec 8

Soviet interference in Finland's presidential election campaign, predicted by many Western observers, has not materialized. The Soviet Union, so far at least, has kept an extremely low profile.

President Brezhnev has sent three separate messages in which he spoke about relations between Finland and the Soviet Union. These were worded in a way that could in no way be described as even the slightest dislike of the leading candidate, Mr Mauno Koivisto, the Prime Minister and the acting President, even though the Stalinist wing of the Finnish

Communist Party opposes Mr Koivisto viciously.

Unofficially Soviet diplomats have admitted their "hands off" orders which were publicly confirmed by Mr Victor Vladimirov, a leading political councillor in the Soviet Embassy. He said in an interview with Finnish radio that the Soviet leadership trusted in the continuity of Finland's foreign policy, whoever is elected President.

The signing of a Soviet-Finnish trade agreement last week proceeded in a most businesslike atmosphere.

The only important Soviet newspaper opinion expressed

Spanish Army urged to abide by law

From Richard Wigg, Madrid, Dec 8

Senior Alberto Oliart, the Spanish Defence Minister, today urged the country's armed forces to understand that "no authority is any more than false unless it is based on the law". He appealed for a reaffirmation by all officers of their respect for a legitimate government.

The minister was at one of the chief infantry regiments of the Brunete division, outside Madrid. He spoke about the extreme right-wing army officers' "manifesto of the one hundred" at the weekend and also defended the Government's record in fighting terrorism and the decision to join Nato.

At the weekend the military authorities put 100 officers and non-commissioned officers under 14 days' house arrest for issuing

a statement which criticized the country's press and politicians and which was timed to coincide with the third anniversary of the referendum approving the constitution. Symptomatic of the officers' attitude, indicated in the failed coup plot in February.

Today Señor Oliart promised that all the armed forces' "worries, ideas and opinions" where they concerned the services, would be attended to. He told the officers that the highest expression of discipline came when they obeyed, acting against personal conviction for the sake of the constitution.

It is considered that the manifesto had not been sufficiently condemned in the second note from the Joint Chiefs of Staff, which was

Alexeyeva sent away from visa office

From Michael Binyon, Moscow, Dec 8

Miss Liza Alexeyeva, the 26-year-old woman married by proxy to the stepson of Dr Andrei Sakharov, told Western correspondents this evening that the exiled physicist was in very poor health, but she believed he was not being forced to leave in hospital in Gorky.

Miss Alexeyeva said she spent 20 minutes discussing the case today on the telephone with Dr Anatoly Alexandrov, the President of the Soviet Academy of Sciences, of which Dr Sakharov is still a member.

He told her he was concerned about the health of Dr Sakharov, who began a hunger strike on November 22 in support of Miss Alexeyeva's efforts to get an exit visa to go to the United States. She concluded that though now in hospital, where Ljovitsa said on Friday he had been taken to prevent his health worsening, he was not being forced to leave as friends of his family had feared.

Miss Alexeyeva had no success this evening in her attempt to get permission from the KGB security police to visit Dr Sakharov and his wife Yelena. She went to the KGB headquarters in Moscow given an answer by the officer handling the case.

Earlier today, looking tired and dejected, she told correspondents she had been turned away this morning from the Soviet visa office where she had been summoned to discuss her application. Officials had said the inspector with whom she had an appointment at 11.00 was ill. She was not given any date for a new meeting.

Emigration claim weak in Soviet law

In a Soviet context, Miss Alexeyeva's claim that she should be granted an exit visa to join Dr Sakharov's stepson, Mr Alexei Semenov, in the United States, rests on slender legal grounds.

Not only do the Russians insist there is no valid claim for her leaving the Soviet Union, but her application is at variance with a number of important points of Soviet law, which evidently take precedence over undertakings on Freedom of emigration made at Helsinki. By comparison with other Soviet citizens seeking to emigrate, her case is a weak one. There are dozens of people legally married to foreigners whom Western consular officials consider have stronger grounds for leaving.

The Russians recognize only one valid reason for emigration: family reunification. Soviet law maintains that as the Soviet Union provides all social, human and economic rights to its citizens, they have no reason to leave the country other than to join immediate members of their family overseas.

In effect, this means that emigrants must either be married to a foreigner or produce evidence, such as a letter of invitation, that they have a relative living abroad.

Russians marrying foreigners must do so in a civil registry office, known as zags, where births, marriages, deaths and changes in a citizen's status are recorded.

Miss Alexeyeva's marriage to Mr Semenov is invalid under Soviet law on two counts. Mr Semenov was previously married to another Soviet citizen and his divorce has not been registered under Soviet law; and the Russians, like most other countries, do not recognize marriage by proxy.

There are only two American states acknowledging such a ceremony. Soviet law insists on an international procedure recognized within the Soviet Union as far as its own citizens are concerned.

Marriage to a foreigner is not an automatic entitlement to an exit visa, though it provides grounds for application. A visa may be refused if the applicant has had access to state secrets or classified information.

An emigrant must obtain the written permission of all members of his or her family. Family reunification should not be used to disintegrate existing families in the country, and the applicant must produce documentary approval from surviving parents and grandparents.

read in all barracks yesterday.

The note concentrated most of its fire on condemning the methods of procedure of the captains and lieutenants in not going through their superiors with any complaints. It warned other officers against showing solidarity with the signatories, who are now under fourteen days' arrest, not in barracks, but in their own homes.

There was tension today as the Brunete officers, whose corps is the biggest in the Spanish Army, celebrated their saint's day, traditionally an occasion for elaborate displays of camaraderie. Infantry officers from the division, which was involved in the February coup attempt, were among the manifesto signers.



The shapes of the religion that shapes a contented people

Letter from Rangoon

The Three Stooges arrive in land where Buddha rules

Television is new in Burma but some of its fodder is old. If you ever wondered what happened to "The Three Stooges" who made British and American children laugh in cinemas 30 years ago, you might like to know they are here on television making the Burmese guffaw and roll in their seats.

Television sets are few. Even on the black market they cost £2,000, and the average income is about £100 a year. Many people go to hotels to watch some of the two hours of programmes transmitted every day.

The Burmese television films are action-filled and the Westerners are in the original American. The news is as turgid as in the controlled newspapers, but thanks to the crisp colour of the imported Japanese television system — the women newsreaders look lovely in their silk.

Burmese women have the dignity that springs from an equality with men in all parts of Asia. They do not hang behind or hide their faces. They look you in the eye, and, a propos of faces, they smear them with sandalwood paste, which looks like patch to playmates.

They receive equal pay and, like the men, smoke great 8 in cheroots and wear the same nether integument, a long skirt or "longyi". Burmese never worry about what to do with their hands. They untie the "longyi" and re-knot it a hundred times a day. And they hoist it to their armpits when they have their daily bath.

They are easygoing and courteous and have road manners, too. Their 34 millions are a manageable population. They have boiled over only occasionally and do not go in much for killing each other. Only about five criminals have been hanged in 20 years. The crime level is low and although the police are tough, their presence is not outwardly heavy.

General Ne Win the Burmese leader has, in any case, never shrunk from ruthlessness. In the past he has jailed hundreds of people at the first sign of trouble. Party informers ensure that any eruptions in the universities are promptly flattened. A mellow General Ne Win, perhaps with an eye on the Great Scorer, has of late

tried to make it up to some of the people he jailed by awarding them handsome pensions.

Pensions and perquisites are part of the Burmese socialist system. The great majority live, eat and smoke simply. The higher orders have access to cars, housing and exclusive shops.

They can also play golf, the recreational motif of General Ne Win's reign. He is an addict. In a country with penal tariff barriers golf clubs are duty free.

The majority, however, content themselves with football and chinlon, a game whose object is to keep a cane ball in the air. Street football is played seriously in Rangoon. At critical moments a referee with a whistle holds up traffic while an attack is completed, rather as if traffic were to be halted in Oxford Street so that Arsenal could surge towards Marble Arch.

The people cannot go to races because the Government has banned racing. But they go in large numbers to the cinema. A good seat costs 20p and current Western films include *The Champ* and *Oliver's Story*.

A Burmese girl said she liked Western films because they made her cry. "And I like to cry. I also like hearing English."

On General Ne Win's orders English is being restored to its former important place in the school

curriculum. It was relegated some years ago and standards have dropped.

Now Burma finds it needs the language, and it is said that General Ne Win ordered the promotion of English when his daughter's inadequate command of it led to her failure to get advanced medical training in Britain.

Modern English books and magazines are not plentiful. Well thumbed paperbacks are sold by pavement vendors.

Some of the books are very old, like the lumbering 1940s Chevrolet cars, relics of an America with money to burn, which do taxi work.

Seeing these monsters parked outside a hotel in Rangoon is like seeing a shot from an old Hollywood film on Burmese television. Rangoon itself seems to live in another era. Many of its buildings, handsome colonial Gothic, are moss-covered. With the dilapidated pavements they provide an air of gentle neglect. The once mighty, now musty, Strand Hotel still serves the lunches of Empire, and its lost property cupboard holds mildewed razors and earrings left behind 40 years ago.

Out of the cities, as you can see on the 12-hour train journey from Mandalay to Rangoon, Burma is a country of immense beauty. Emerald paddy fields stretch to distant blue hills. Soon the straw-hatted peasants will be harvesting a record crop; a record, that is, for the regime. There is still some way to go before the harvests of 40 years ago are equalled.

Evidence of the religion which shapes a modest and relatively contented people is everywhere. Blink and you miss a pagoda. The large and famous ones, tiled with gold and barnaced with jewels, have already been visited by thoughtless travellers so that their guardians have had to erect signs saying: "Do not wear brass" and "no footwearing".

A Burmese said: "Buddhism helps us to take life as it comes. Whatever the regime, it will always be the most important part of our lives. Things have changed; the regime has introduced an element of suspicion and caution, a looking over the shoulder, that was not with us before. But we still have our sense of humour."

Trevor Fishlock

The enduring face of Burma

Seychelles failure shows Pretoria's flair for self-injury

From Michael Horasby, Johannesburg, Dec 8

If nothing else, the failed coup in the Seychelles has once again demonstrated South Africa's infinite capacity for shooting into its own goal. Even if the South African authorities are totally innocent in the affair it is certain now that no one will ever believe it.

At almost every turn the South African Government has managed to make itself look ridiculous, issuing a string of ministerial statements and self-justifications which have fuelled rather than dampened suspicion.

The sorry tale began on the day of the arrival in Durban of the hijacked Air India Boeing with a stern assurance from Mr Hendrik Schoeman, the Minister of Transport, that the full rigour of South African law would be employed against those involved. Within days, however, 39 of the 44 men who commandeered the aircraft had been released without charge, and the remaining five let out on bail on a charge of "kidnapping".

Pressed to explain the release of the 39 Mr Louis Le Grange, the Minister of Police, responded with the immortal words: "You tell me what laws they broke in South Africa." They only shot out some windows and ran around in the bush".

This is already being compared to the notorious "It leaves me cold" comment of Mr James Kruger, the former Minister of Justice, on the death of the Black Consciousness leader, Steve Biko.

Even while Mr Le Grange's comments were reverberating around the world his colleague at the Ministry of Justice, Mr Kobie Coetsee, was produced to say that the 39 alleged mercenaries might still be prosecuted after all, and that a charge of hijacking might still be brought against the five ringleaders.

Mr Pieter Botha, the Prime Minister, admitted those calling for firmer action reminding them that South Africa was a country ruled by "Dutch Roman law", and the law had to be allowed to take its course. Mr Roeloff Botha, the Foreign Minister, added for good measure that in South Africa men were

"innocent until proved guilty".

The gale of hollow laughter that greeted that remark, only a week after the detention without trial of 17 trade unionists and students for exercising what in most countries would be accepted as a routine right of political opposition, has still not died away.

Then came categorical and indignant denials from the Prime Minister and other members of the government of the involvement of South African police or security personnel in the attempted Seychelles coup, denials shot to pieces the next day by the repatriations of Mr Martin Dolinchek, one of the South Africans captured in Seychelles.

It was also belatedly disclosed that an inquiry had been set up to look into allegations that South African soldiers might have been among the mercenaries.

The unanswered question is whether, in the words of Dr Frederik van Zyl Slabbert, the Leader of the opposition, the Government is simply "stumbling from one faux pas to another" or whether its gyrations conceal some much more sinister involvement in the Seychelles debacle.

Most observers here find it difficult to believe that the authorities were unaware of the plans for the coup attempt.

But while the South Africans may have done little to discourage the plotters there are few convincing reasons for thinking that they would have wanted to be actively involved in the planning and initiating of the coup attempt. It is hard to see any gain from such a venture, even if successful, that would have justified the risk.

After Mr Mantham's overthrow, the landing rights in Seychelles of South African aircraft were withdrawn and a number of economic deals which had been under consideration collapsed. But the Government has continued to welcome South African tourists, arguing that "tourists are a bounty" wherever they come from.

Moi sends telegram to deny Kenya involvement

From Our Correspondent, Nairobi, Dec 8

President Moi of Kenya angrily denied today that his country had been involved in the recent plot to overthrow the Seychelles Government.

He sent a telegram to President Albert René of the Seychelles denying the reports coming from the Seychelles quoting a captured South African mercenary.

The captured man, Mr Martin Dolinchek, who identified himself as a member of the South African intelligence service, said yesterday that a new government for the Seychelles would have flown to the islands from Kenya, which was also to replace the Tanzanian troops now supporting President René.

The Kenyan Cabinet issued a press statement here today describing the allegations as ridiculous and absurd.

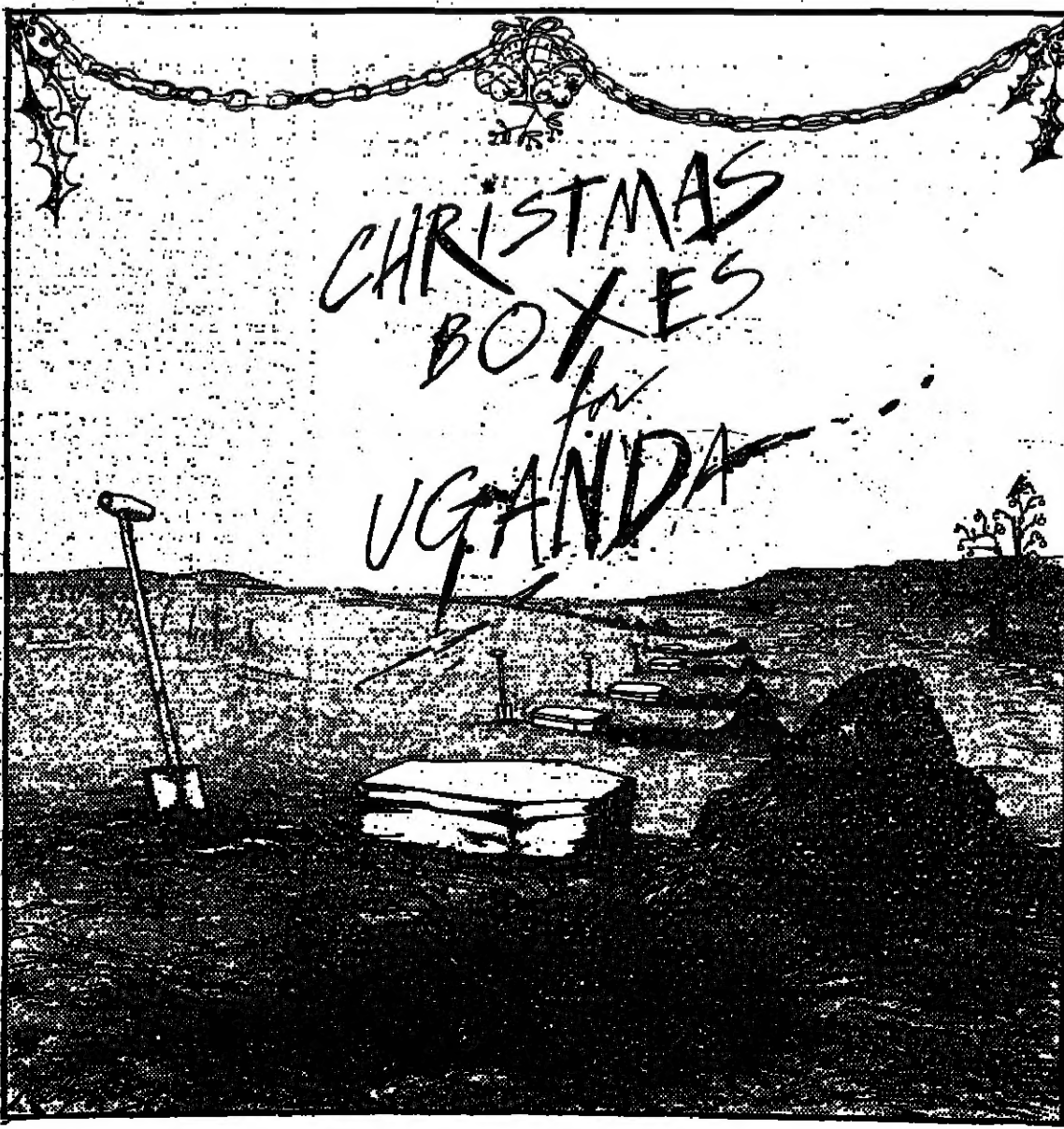
President Moi's telegram says: "I am dismayed by international media reports alleging that one of the mercenaries implicated in Kenya in the recent attempted coup in Seychelles.

"Your country and mine have enjoyed cordial relations since independence and it is ridiculous and absurd for anyone to try to harm these relations with malicious and unfounded allegations."

"I would like to emphasize that Kenya is not associated in any way with recent events in Seychelles. Kenya has already, in fact, publicly condemned the attack by mercenaries against the Seychelles."

The Cabinet's press statement notes that Kenya has an exemplary record in its relations with other countries. "Kenya is not involved in any way in the recent coup attempt in the Seychelles and does not wish to be dragged into any aspect of it", the statement adds.

The surprising reports from the Seychelles have dismayed Kenyans. They were not reported on Kenya radio or in today's newspapers here, but were widely broadcast from overseas radio stations and were widely known in Kenya.



What are you giving the kids for Christmas this year?

Ayida would like a bowl of milk. Moses longs for a handful of maize. A dose of vitamins would really make little Ali's eyes light up.

Juda is probably going to get a hole in the ground.

Christmas where Save the Children's overseas teams work is no party.

We desperately need money now for food and medical supplies.

Five pounds keeps a child alive for the whole of December. Twenty pounds means a happy new year right up to Easter.

Give generously. Send the gift of life to an innocent child this Christmas.

Please forward your donation to:

The Save the Children Fund, Dept. 331, 157 Clapham Road, London SW9 0PT.

Please use this donation £ _____ towards your Christmas Appeal. Or debit my Access/Barclays card account No. _____

To save postage, please tick the box only if you need a receipt ☐

Signature _____

Name _____

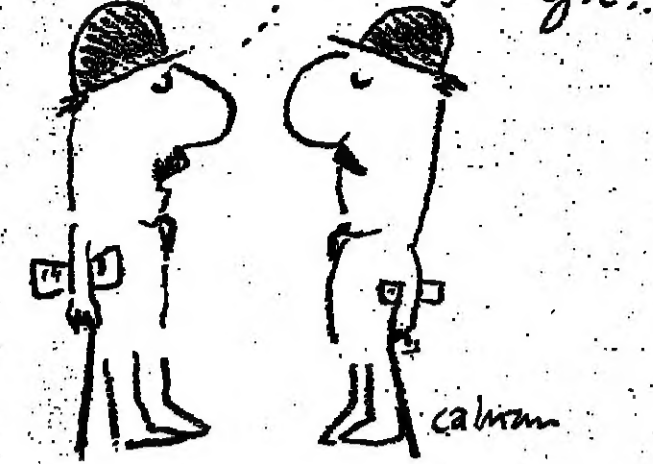
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Save the Children

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Some surprises in the new Gallup Poll on European attitudes

Of course - we're pleased with ourselves - we're NOT foreign.



More work, please, we're British

Stand by to revise your generalizations about the British and their continental neighbours. According to a poll published last night, the British, far from being slay-dash moaners, take the most pride in their work and are, with the Irish, the most satisfied with their lot.

The Italians are neither carefree nor gregarious, but the loneliest and least sociable of the West Europeans surveyed, while the French are second only to the Danes in godlessness, as well as the most cynical and immoral.

Such, in crude terms, are some of the conclusions suggested by the largest poll ever undertaken on social, moral and political issues. Conducted over three years by the Amsterdam-based European Value Systems study group (a foundation advised by senior European academics under Dr J. Kerkhofs of Louvain University in Belgium), its findings are only part of a wider exercise, which has been coordinated - and conducted in Britain - by Gallup Poll, under Mr Gordon Head.

Roughly 1,200 people were questioned in each country (around 300 in Northern Ireland).

Everyday life: Germans are very intolerant

It was striking that the Italians, reputedly addicted to *Bambini* and extended families, showed the strongest preference for spending leisure time alone and were much the least anxious to spend it with their family. They and the Northern Irish were keenest on seeing their friends.

The Danes and Dutch were the most avid daily newspaper readers: 87 per cent reckoned to read one regularly, against 83 per cent of Britons, though the latter were - with the Irish (North and South) - predictably the most addicted to TV watching. Remarkably, more than half the Italians questioned confessed to feeling "very lonely" frequently or sometimes, with the Spaniards on their heels. Perhaps they were just more honest. Danes and Britons were least lonely, and - with the Irish - much the happiest and most satisfied with life. Twice as many Northern Irish felt satisfied as French, who came bottom on that score.

The same Irish, Danes, Northern Irish and Britons had the highest opinion of their own state of health, about which the West Germans were gloomiest, followed by the Italians and Spaniards.

The West Germans also objected most strongly to left or right-wing extremists, heavy drinkers, minority religious cults and immigrant workers as potential neighbours. The Belgians topped those anxious to avoid people - of different race, the Irish similarly anxious to avoid those with criminal records.

Only 22 per cent of the French thought most people could be trusted (against 43 per cent of Britons), and almost three-quarters felt "you can't be too careful in dealing with people".

Work: British take most pride in their jobs

A surprising 79 per cent of Britons - and 71 per cent of Irish - took "a great deal" of pride in their work while only 13 per cent of French and 15 per cent of Germans did so. Indeed, 17 per cent of French and 11 per cent of Germans took no pride at all in their work, against one per cent of Britons. The British however were more than twice as prone as the Germans to feel exploited.

No very clear relationship emerged between good pay and the importance attached to it. Low-paid Spaniards and high-paid Germans rated its importance highest, the well-paid Danes much the lowest, with the British in the middle. With the Dutch and Danes, the British were the most satisfied with their household's financial situation.

The Germans were far the most demanding about their jobs, being the keenest on security, promotion prospects, chances for initiative, respect from others, a sense of achievement, responsibility and a good match with their abilities. The British attached more importance than others to the job being interesting.

Morality: French keenest on adultery and theft

The British, followed rather unexpectedly by the Danes, were much the most willing to fight for their country, the Belgians the least. The British were readier than any but the Italians and Spaniards to risk their own life to save another's. The Spaniards were most ready to die for country, justice, freedom and peace; the Germans and Danes conspicuously reluctant to do so for any cause.

The Irish - North and South - were readiest to risk life for their religious beliefs, and topped the church-going league with the Spaniards and Italians, with the Danes, British and French at the bottom. But more Danes than Northern Irish felt they were of a religious nature, while the French and Spaniards were keenest on revolutionary change.

Not unexpectedly, the British had much the most confidence in their police and armed forces, and the least predictably and proudly of their nationality (Dutch and Germans least so). Far more Italians than others considered themselves regular drinkers, while Northern Ireland has much the most abstainers, Denmark fewest.

Conclusion: Nordics are happier than Latins. To what conclusions are we led? The British and Irish (including the Northern Irish) emerge as above average satisfied with their lot, despite their relative poverty. They are patriotic, have faith in their institutions and in human nature, and take pride (possibly unjustified) in their work.

The French are ungodly, immoral, selfish and revolutionary, but it does not make them very happy. The Germans are volatile, demanding lot, oscillating between neurosis and happiness and cherishing qualities deemed missing in their past.

The Belgians are the most family-minded, by low on tolerance of others. The Dutch are Mr and Mrs Average, and the Danes are the best adjusted and most tolerant of all, though the least godly. The Spaniards are strikingly idealistic but not very happy, while the Italians are given to solitude, self-pity and the bottle.

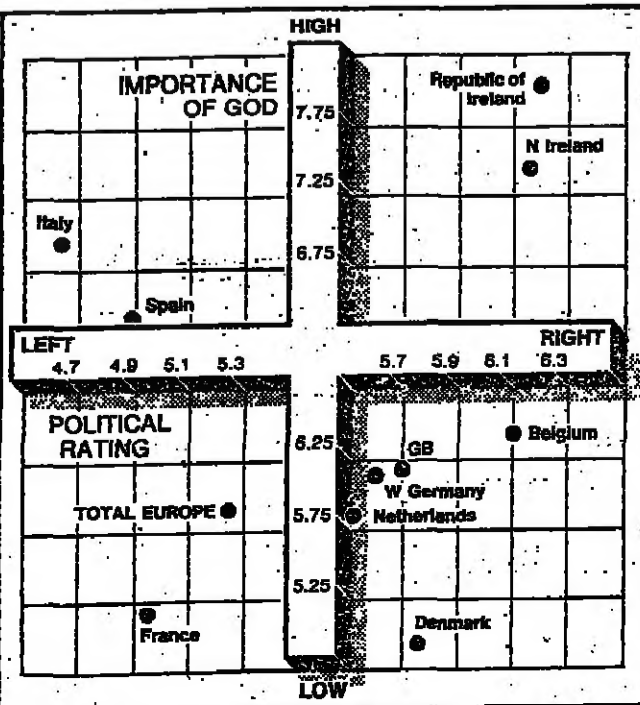
The Nordic peoples indeed seem happier than the Latins - though it could be that they are simply less complacent. Initial analysis of the computerized findings suggests that religious background and political views are the two biggest factors influencing - and reflecting - our values today. Ultimately the study will be able to pinpoint whether, say, a left-wing Italian Roman Catholic with six children who covets his neighbour's wife is more, or less likely to accept bribes in the course of duty, or evade taxes than a right-wing Belgian who believes in euthanasia and felt very close to his mother.

More shocking revelations are on the way: results are now coming in from Japan, the USA, South Africa and South America.

Roger Berthoud

The author was The Times correspondent in Bonn and Brussels.

Where they stand on God and politics



How Europeans rated themselves on a political scale (left=1, right=10) and on a religious scale (God not important to them=1, God very important=10)

inconsistencies. The Germans felt relaxed least often, yet less anxious than any but the Danes, and much the most often aggressive. The British and Danes tended to feel happy, relaxed, secure and satisfied with home life most frequently, along with the Irish (north and south), and with the Italians and Spaniards at the other end of the scale.

The Irish attached most weight - and the Germans least - to a similar social background as a factor in a successful marriage. The French rated fidelity lower than others, and gave greatest weight to living apart from in-laws, while the British were keenest on a happy sexual relationship.

Among qualities children should learn at home, the French and Germans gave the lowest priority to good manners, while the latter attached high importance to independence and responsibility, very little to obedience (cherished by the Northern Irish), and far the most to leadership.

Politics: Spaniards yearn for revolution

Broadly, the countries with the severest internal problems - Belgium, Italy, Northern Ireland - registered the lowest interest in politics. The French and Germans showed the most active interest (with the British not far behind), and Germans and Danes were most prone to political discussion. If the British were readiest to sign petitions, the French were most prepared to join boycotts, demonstrate, strike unofficially and occupy buildings or factories.

Weighing the importance of personal freedom and equality, the British gave much the greatest weight to freedom. The French, Italians and Spaniards put themselves further on the "left", the Irish, British, Northern Irish, Belgians and Dutch furthest "right". The French and Spaniards were keenest on revolutionary change.

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Tonight, from a field of 90, the name of The Times/Veuve Clicquot Businesswoman of the Year is announced. Caroline Moorehead reviews the finalists.



'Being a woman? If anything a distinct advantage.'

Valerie Aggett, 30, principal and managing director of Holborn Law Tutors Ltd. Married in May to a chartered accountant. No children. Father: boiler engineer. Educated at Bury Grammar school, took a 2-1 law degree at Durham University. One year's consultancy for Holborn Law Tutors led to radical report on need to restructure. College and subsequent appointment to do so. Turnover risen from £66,000 in 1976 to £700,000 for 1982.



'In business I meet men who are far more emotional, more feminine than I am.'

Jean Wadlow, early forties. Managing director of Wadlow Grosvenor Productions. Divorced. No children. Father: owned printing works in Essex. Private school on the East coast of Scotland, then became European shorthand champion at Gregg College. Started as a secretary in a City office. At 21 joined an advertising agency, becoming its television director at 27. Own company for four years, estimated turnover £1m.



Gisela Burg, 42, managing director of Expositus Ltd. Single. Father an academic in Germany. Left a ladies' college in Rhineland with ambition to become an air hostess. Came to London to learn English, decided to stay, joining a company importing parts for loudspeakers. Seven years later founded her own export company, becoming the first woman to sell hi-fi equipment to Japan. Turnover of Expositus in 1980: £2.1m.



'As a woman, it took me longer to prove I could do things.'

Jennifer Loss, 41, managing director of Charles Jourdan. Father: Joe Loss, the band leader. Married to an industrial designer. Four children. Left St Paul's Girls School and French Lycée secretarial section to work as bilingual secretary for Charles Jourdan. 1966: took over responsibility for wholesale side of business. 1972: became general manager.



'I like to see the astonishment when customers call for the manager and I appear.'

Anne Gowland, 31, general manager of Debenhams Nottingham. Married 10 years. No children. Father in the tannery business. Left school at 16 with O levels to work in a bank. Joined the Debenhams group at 19; rose steadily year by year to present position as No 2 in a store employing 300 people. In the retail trade her age is more surprising, given her success, than the fact that she is a woman.

In search of the woman at the top

Five finalists from a field of some 90 candidates - directors, chairmen, financial controllers, general managers - have already been selected for qualities that range from entrepreneurialism to organizing ability, from degree of financial responsibility to what the guidelines call simply "power" (and, in passing, screened for scandals or alcoholism). Only the winner among them is still a secret.

This is the ninth year that the prize - prestige, champagne and a wine named in honour of the winner - has been given in memory of the 27-year-old widow of a vineyard owner who in the early nineteenth century invented "remuage" (shaking bottles in the racks to clarify the wine) and sold her champagne throughout the world while the Napoleonic wars raged about her.

Candidates are proposed by friends or colleagues and selected by a mixed panel of Times and Veuve Clicquot judges. Mrs Thatcher had 50 nominations the first year (only one this year). Shirley Williams is the only other politician to have been proposed - and that was only once. The Queen regularly gets one vote.

The five 1981 finalists are aged between their early thirties and early forties; three are married but only one has children. All work appallingly long hours: at least a 12 hour day, rarely getting to the office after 8.30, but they resist taking work home at weekends.

Of the five, two - Valerie Aggett, a solicitor who runs a law cramming college and Jean Wadlow, who has her own film and video company - take no holidays at all. Gisela Burg closes her export company for 10 days over Christmas. It is a life all five are addicted to.

How did these five women - four managing directors and one general manager - reach their present positions? Interestingly, not by backround or family are. Only one Valerie Aggett, has a degree. The others left school early, took secretarial courses and worked only because they had to earn a living.

For the others it was largely a case of luck and a late awakening. Gisela Burg, who now runs her own export company with an annual turnover of over £2m, was filling in time in London waiting to be an air hostess with Luft Hansa when she fell in love with the country and decided to stay, taking a job as a bilingual secretary.

Over the next seven years she became convinced that small British firms, particularly in the sound electronics business, were not sufficiently aware of their export possibilities. She borrowed £500 (her bank manager told her helpfully that she should get married instead) and set up her own company as export consultant.

Jennifer Loss's career began even more suddenly: since no one considered her intelligent enough to take A levels, she did a secretarial course, then left her name with one of the agencies. Today she is managing director of the firm in England.

For the two finalists who have had to compete in the City, it was being blocked because of their sex that led to their careers. Valerie Aggett, completing her article clerkship with Clifford Turner, looked around and concluded that there were no women partners in the prestigious law firms. She became consultant for a school of law tutors then took over, at 27, its directorship. In 1976 there were scarcely 50 pupils; today, thanks to her regular promotional trips throughout the Far East, there are over 700.

But once luck intervened, all five women were quick to respond. Anne Gowland dithered about on leaving school, did some computer training for the Midland Bank, then worked as a rep for an American curtain manufacturer. Then she joined the Debenhams group as a buyer's clerk in the fashion department.

It was 1970, the year that boutique fashions and the teenage market took off around the country. Progressing rapidly year by year, Anne Gowland found herself eventually checked only by a company rule that demanded total mobility of its employees. Being married, she was stuck in Leeds. But then her husband started working from home, and home could be anywhere: since then the Gowlands have moved as her job dictates, and there has been no further break in her climb.

For most of them the travelling is ceaseless. Gisela Burg is out of her office in Holborn as much as four to five months a year, preferring to settle problems by catching day planes from Heathrow to the European cities she deals with, and making long-trips to Japan, the main market for her business.

As a result of their work, home life for the five is much reduced. All five women regard weekends as private. For Jennifer Loss they are the bare minimum she can spend with children and friends in a life geared closely to the synagogue (she is president of the Weybridge synagogue). For Jean Wadlow, they provide time to shop for clothes or go to the Reform Club, of which she was one of the first three women members, for Gisela Burg to play golf (handicap: 36), or watch her race horse, Mink Coat, as he exercises; for Valerie Aggett to make trips on her motor cruiser.

They have all more or less abandoned the theatre, movies or dinner parties. If they are left with a private life at all, it is because all seem to share a highly organized and practical attitude towards domesticity: they eat out a great deal, employ cleaning ladies, and order groceries from Harrods. Not one seemed oppressed by domestic muddle.

There is, however, another pressure. To live the lives they lead, these business women need to look good - or feel they do - even if all were surprisingly firm that being a woman in male hierarchies demanded little more than having to work a bit harder, keep promises and be especially patient. Like the domestic chores, clothes become an administrative detail which has to be coped with, decisively and with the least fuss.

Jennifer Loss, for instance, hates shopping and simply chooses her clothes from the Charles Jourdan collection. Jean Wadlow shops always from Clôse or Yves St Laurent; Valerie Aggett goes to Paris twice a year. Gisela Burg wears suits; when she travels, she takes a colour scheme. All have regular appointments with hairdressers they know; all - except for Jennifer Loss - have immaculately painted finger nails.

The need for style is not confined to clothes. Offices are made to look unusually nice: plants, good furniture, little details of design like curious ashtrays or remarkable waste paper baskets, to "soften the surroundings" as one put it.

Jean Wadlow has had her private office - a highly scented room painted with brightly patterned objects; she has taken beige and brown as her colour theme for the board room, and signs her letters in brown ink on beige paper.

Valerie Aggett has a lumi-

nous emerald pile carpet, brown and beige leather chairs and a marble round table; clusters of chrome hanging lights, like bunches of glowing grapes, drop from the ceiling.

The question of children hangs over all their lives. Jennifer Loss, who has four, spoke instantly about the guilt and her anxieties that they suffer from her job. Valerie Aggett and Anne Gowland, both in their very early thirties, are still thinking of having children, but agree that their jobs would have to change or go altogether. Jean Wadlow was adamant: "My business comes first. It always has. I never wanted children."

Only Gisela Burg hesitated at the question, and it was she who best expressed the absolutely clear and unresolvable gap for a woman between full blown business and a family.

She has a slightly wistful tone. "In a perfect world, I might have a family first, become involved in business later. I don't know..." For her, as for Jean Wadlow, the two are simply not compatible.



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Henry Fairlie

How do you operate a secret service in public?

The executive order which President Reagan issued last Friday, redefining the basic framework within which the American intelligence agencies must operate, occupied one and a half closely printed pages of Saturday's papers. It was conceived last March, when Admiral Bobby Ray Inman, the new deputy director of the CIA, said that it was being prepared. Nine months later, it has been born.

During this period of gestation, it has been through many drafts. As far back as last March, a 16-page typewritten draft was leaked. A preliminary draft went the rounds in Washington only a month ago. Each successive draft provoked bipartisan opposition from the Senate Intelligence Committee and some sections of the press. The final order bears all the marks, for good and for bad, of this prolonged and difficult travail.

The Administration originally wished to remove many of the restrictions which were imposed during the 1970s on spying and counterespionage within the United States. The new executive order does remove some of these restrictions and, for the first time, it explicitly authorizes the CIA to engage in covert operations at home. But it has not come nearly as far in this direction as it intended last March.

It has dropped most of the provisions in earlier drafts that were opposed by the intelligence

committees in both the Senate and the House. The new order does not, for example, permit the CIA to infiltrate, and try to disrupt or influence organizations of law-abiding Americans, except with a court warrant. The Administration has bent, significantly if not surprisingly, to the strength of one section of opinion.

One has sometimes been amazed in recent years that America can run an intelligence service at all. The extreme sensitivity to all threats to constitutional rights, even where the needs of national security might seem to be paramount, and the recent insistence on Congressional supervision of intelligence activities, always leave one wondering if the intelligence agencies can operate with any secrecy.

Some former agents of the CIA have not hesitated in recent years to seek and obtain notoriety by revealing the names of clandestine agents now in the field. Their sleazy actions are discussed as if they were no more than breaches of contract. Treason is treated as a tort. But the whole American system leads one to expect clandestine agents to be interviewed on the break-fast-time magazine programmes on television.

The extraordinarily thorough investigation of the intelligence agencies which was conducted by the Church Committee in the mid-1970s revealed a host of malpractices in which they had

been regularly indulging. The extent of these malpractices, which only it could have revealed, justified the investigation. But at the same time its very thoroughness made one uneasy at the precedents it might be thought to set, and the conclusions that might be drawn. The intelligence community became increasingly demoralized under frequently unfair attack. In response to the revelations of malpractices, Jimmy Carter in his own executive order in 1978, and with the full cooperation of his own director of the CIA, curtailed its activities both at home and abroad, drastically reduced the numbers of its experienced agents, tied its hands, and came near to stopping its ears and putting out its eyes.

With the fall of the Shah, the taking of the American hostages in Teheran, and the invasion of Afghanistan, the demoralization of American intelligence was obvious. By the early spring of 1980, Carter had reversed his attitude. The man who in his 1976 campaign had sworn to tear away "the veils of secrecy" behind which the CIA operated was seeking in Congress to restore at least some of them.

But this new effort was quite as curious as the earlier one. The CIA was to be bolstered by giving its most unlovely activities a framework of legality. This was to be done by submitting it to the benevolent oversight of Congress and the courts. Its

covert actions would be undertaken either with the knowledge of Congressional committees or by warrant from the courts. The CIA would be freed a little, but it would seem legalized.

Mr. Walker Pforzheimer, the first legal counsel of the CIA in the 1940s, raised wondering eyebrows. Under the charter which was being proposed, United States courts would be given the odd responsibility of authorizing violations of foreign law, by issuing warrants for break-ins of surveillance overseas; and even of taking actions which under the laws of some countries would be regarded as criminal conspiracy.

So absurd was the arrangement which was being contemplated that the American Bar Association even formed a panel to consider the subtleties of intelligence law. Alice had passed through the looking glass and was in Wonderland. Mr. Pforzheimer could not contain his mockery. "Every CIA case officer," he said, "will have his own lawyer." Why not, indeed? Even schoolchildren in America now retain their own lawyers.

Every time the CIA planned a sensitive mission abroad, he pointed out, its lawyers would talk to the lawyers of the Congressional committees. When the CIA wanted to wire tap a suspected foreign spy at home, its lawyers could talk to the Justice Department's lawyers, who could then talk to the

judges on special intelligence courts. This proposed new charter died even before the President and Congress who had thought it up.

The executive order issued by President Reagan last week avoids these more ludicrous pitfalls. Yet the wish to appear to legalize what in effect are and must be the illegal activities of the intelligence agencies has been at the root of the controversy over its successive drafts. It is a persistent danger in the American system to diminish the authority of the courts and Congress by using them for inappropriate purposes.

The investigative power of congressional committees is a superb instrument of legislative supervision. But it works best, as with the Church Committee on intelligence, when it is retrospective. If it is used to try to control the executive in advance, especially in so awkward a field as intelligence, the effect is either to paralyze the executive, or to appear to endorse the action which the executive takes. Inviting the courts to endorse illegal actions by the executive is obviously even more dangerous.

Few activities of government are so properly within its realm and its realm alone than both domestic and overseas intelligence.

The restoration of the efficiency and morale of the American intelligence community should be the business of the President acting through the directors of the various agencies, whom he has appointed or reappointed. Even under the new order, it is still being divided. Neither agents in the field, nor case officers at home can yet assume a clear chain of command or responsibility.

Mr. Sam Halpern, a former field officer of the CIA of high reputation, said last year: "Somewhere, somehow, someone has to be trusted. In the past, and dangerous business of intelligence, one would have thought that this was plain. The trust cannot be nurtured by Congress or the courts. Mr. Reagan's order is better than Mr. Carter's order. But it still does not bode well for American intelligence. Or for its allies who have a right to depend on it."

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William Colby, then Director of the CIA, called in 1975 before a Congressional public hearing into the Agency's activities in the United States

He shaped our times

With his resignation yesterday as chairman of Times Newspapers Holdings Ltd, and from the Board at the end of this year, Sir Denis Hamilton is severing his final connections with *The Times*, *The Sunday Times* and *The Times Supplements* — a newspaper group with which he had been associated for 35 years. As the announcement was made, he spoke to Anthony Holden.

When Denis Hamilton distinguished himself in the Second World War — rising with remarkable speed to the rank of lieutenant-colonel at 25, winning a DSO on the way — the *New York Chronicle* reported his progress with particular pride. Not merely was he a local boy made good; he had been a cub reporter on the paper before enlisting.

The paper's proprietor, Lord Kemsley, took an even closer interest. On demobilization, Hamilton had returned to the paper as a £10-a-week reporter, despite personal counsel from Mony that he should stay in the army. Characteristically playing a hunch, Kemsley invited Hamilton to join the *Chronicle* to be his personal assistant. Within two years Hamilton was editorial director of the Kemsley group with a seat on the board.

Sitting in his darkening office yesterday, his cold-stream portrait of Roy Thomson looking heavily on, Sir Denis recalled his meteoric rise with continuing disbelief. "I was really reacting to others who had borne the heat and burden of the war years. I had opted for journalism over university to my parents' great disappointment."

"My father was an engineer, like his father and grandfather before him. I had no journalism in my blood — unlike others I could name." (At this juncture he screwed up a piece of paper and threw it at the other side of the room. "My father was one of many *Sunday Times* journalists," Hamilton was subsequently to cherish and befriend.)

"I was able, with others, to push Kemsley into a period of great expansion of *The Sunday Times* as much as the regional newspapers. When Roy Thomson came along a few years later, the contrast could not have been greater. I doubt if Lord Kemsley ever went by tube in his later life, while Roy to his dying day was reluctant to take a taxi."

But Thomson too was prepared to invest heavily in *The Sunday Times*, of which he made Hamilton editor after he bought the paper in 1959. Mony's memoirs were serialised in 15 episodes, adding 100,000 to the paper's circulation and giving birth to the outlandish notion of the *Sunday "Review Front"*.

Other such notions, mocked by competitors at the time, are now standard fare. *The Sunday Times* is much as any self-respecting *Sunday* newspaper. Hamilton introduced the colour magazine and the business section. He launched the Insight team on its distinguished way. He recruited, among scores of the prominent, a post-war British journalism, William Rees-Mogg and Harold Evans, both to become editor of *The Times*.

In the trade, he is renowned for his such as anything else the seeking, our and nurturing of gifted young journalists, one of an editor's most creative qualities. He was also an exemplar of another: he was an editor always on his journalistic instincts despite the pressures of the boardroom, and beyond.

Hamilton and Thomson, about whom he had at first been "somewhat dubious", took the same view of a modern editor's role. The proprietor would not interfere in editorial policy, the editor must put his weight commercially. Between them they put paid to the era of the editor who simply nudged the editor



Sir Denis handing on

while honing and polishing the first leading newspaper in the world. I have dwelt on his years at *The Sunday Times*, as Sir Denis himself did yesterday. There were other, ancillary achievements — beyond the bounds of routine newspaper work: the great Tutankhamun and Chinese exhibitions, for instance. He believes, that newspapers should continue to burst their bonds in such enterprises. "Yes, my years, as editor of *The Sunday Times* were my happiest."

"And yet... I know it sounds old-fashioned, and I often have my leg pulled about it, but commanding a battalion provides the same kind of satisfaction. It is really much the same as editing a great newspaper. To have done both is to have achieved as much as any man might wish."

Hamilton's editorship in 1967, Sir Denis has spread his wings throughout the newspaper world and beyond. While remaining editor-in-chief and subsequently chairman of Times Newspapers, he has particularly pressed his role as trustee of the British Museum and the British Library, as chairman of Reuters (which he remains), and sundry appointments in international newspaper organizations, training of journalists and as patron of the arts.

He was chairman of the board which approved Mr. Rupert Murdoch's bid to take over Times Newspapers this year, and he pays Mr. Murdoch, as he leaves, compensation which goes beyond any mere cosmetics. "I just felt," as he contemplated my 63rd birthday last weekend, that a transition period of some kind was complete. It was time for the old guard to hand over to the new.

Now he looks forward to continuing his work at Reuters, to a new role as a member of the Independent Broadcasting Authority, and — if there's time — to a book on post-war British newspaper journalism, "the serious ones, that is."

He will spend more time with his wife Olive, who is an author in her own right. "No editor can accomplish much without a supportive and understanding wife. It is intensely grateful to her four sons, one of whom is in journalism and another the author of a prize-winning biography of Montgomery. His own memoirs, he thinks, might be the ultimate vanity project. He has kept assiduous notes of the moments in his life, his meetings with presidents and prime ministers, princes and potentates, which have been kept."

Anthony Holden

Richard North on the rescue missions that put the Animal Liberation Front in the dock

The woman who would run Mr Fox to ground

Ellis Fox — his friends call him Rafe — runs what might loosely be called a farm; at Haywood, near the village of Askern, outside Doncaster in South Yorkshire. The Animal Liberation Front call it "a death camp", and characterize Ellis Fox as a murderer. Accordingly, they raided the farm last May, while Mr Fox was before Doncaster magistrates on no less than 52 charges arising out of his activities with animals.

Last week he made a reappearance at the magistrates' court, and was again sentenced under the Protection of Animals Act, 1911, on various charges of causing unnecessary suffering to animals. A few days later, on Monday, the leader of the ALF raiding party had her trial stopped in the Crown Court of this Yorkshire town. Susan Merrikin, formerly an RSPCA spare-time van driver who turned to radical action two years ago in despair at the slowness of more moderate methods, admitted that she removed dogs from Hayfield Farm. But she denied that it had been robbery. The judge, failing to see evidence of force or dishonesty needed to uphold a robbery charge, would not let the case proceed. He bound her over to keep the peace for 12 months.

Ellis Fox is not a sadist, according to the local RSPCA inspector, Terry Spamer, who has done most to bring him to book. "I don't know what it is," he says. "He's

just missing something. I think he deals in animals the way you might deal in second-hand cars or something."

Though Mr Fox may not take pleasure in hurting animals, he certainly does not seem to share any fraction of their suffering. And so it is that he runs Highfield, where cats, dogs, guinea pigs, rabbits, goats, sheep and ferrets have all lived, at different times, in what Terry Spamer calls "incredible and chronic overcrowding".

It was a man who visited Highfield Farm to buy bunnies for his son who brought Mr Fox's farm to the attention of the authorities: they had been wondering where he was operating, having ceased to use his mother's house in nearby Bentley. But dealing in pets is far from Ellis's main activity. Banned from keeping dogs in May, he seems now to concentrate on goats and sheep for the Muslim meat trade: one of the charges brought against him had concerned his slaughtering of a goat for human consumption without a slaughterhouse licence.

These are both businesses in which there is plenty of room for back-door activity, and though they are often



Susan Merrikin: hot on the scent of animal cruelty

illegal, animal welfareists believe that the law is routinely made an ass where animals are concerned. For instance, in May, the magistrates, using the 1911 Act, could only ban Ellis Fox from keeping specified types of animals, and those the subject of charges. Last week they could have gone further — the Act allows them to do so for a second-time offender — but they chose to disqualify him from goat-keeping only.

What do they want to do? demanded an outraged Sue Merrikin after the case. "Go through each of the species one by one. That would take forever." In spite of defence pleas of poverty, Terry Spamer believes the fines (£100 each on a handful of charges) will do little to deter Fox. "I think there will be more problems in the future, personally."

The 1876 Cruelty to Animals Act, which controls laboratories performing experiments on animals, is quite apart from what it

allows once they are inside — has nothing to say on the supply of animals for research.

One of the leaders of the Animal Liberation Front, Ronnie Lee, who has been jailed twice for liberating animals, says he avoids violence. Sue Merrikin concurs. However, their anger is very potent. Unfortunately, the control of other members, or people who identify with the movement, is less strong. But then, as Ronnie Lee said recently, "ALF is not an organisation. It is a state of mind."

tors police nearly 600 premises where experiments are licensed. There is an accreditation scheme run by the Medical Research Council, but it is not compulsory for labs to buy from members of it; and though it may do something for animal welfare that is not its main aim.

The Home Office Advisory Committee on Animal Experiments delivered its Report to the Secretary of State on the framework of legislation to replace the Cruelty to Animals Act 1876 earlier this year. It proposes controls on the supply of research animals, but its most crucial move, according to Lord Houghton, an expert and dogmatically animal welfareist, is to have found a way of involving the Home Secretary in "more responsibility than he will want to bear". Lord Houghton, who was behind the successful moves to "put animals into politics" in the 1979 election, believes that animal rights issues must be kept firmly in the public arena of the cause is to be furthered.

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Why Latin is compulsory in the black Eton

An elite school modelled on Eton complete with all-British teachers, an ex-Eton "Dame", Mrs M. Breda, and with straw boaters to cap its green-and-gold uniform has been opened 85 miles north of Lilongwe, the Malawi capital. This extraordinary school, which goes against educational trends elsewhere in the Third World — where emphasis is laid less on academic than on practical skills — is a \$17m (£9.5m) gift to the nation from President Hastings Kamuzu Banda, who led the fundraising drive and contributed to the project out of his own pocket.

Dr Banda, it will be remembered, spent years in Britain before taking over the presidency when the British granted independence to Malawi in 1964. The school will prepare the country's brightest boys and girls for the best foreign universities; they will be drilled in the best traditions of British public school life: the arts, classics, sciences and games. Latin is compulsory. No Africans will teach there because, President Banda has decreed, they do not meet his exacting standards; none has a sufficient grasp of Latin, Greek and ancient history and without these "they are not properly educated".

Kamuzu Academy has been built at Mthunzha in Kasungu district, where Banda first received lessons under a kachere, which is now a national monument. Its core syllabus will consist of intensive Latin, mathe-

matics, English and science, history, geography, music and physical education, domestic science and technical subjects, but the principal university subjects are grouped into four major areas: classics, science, modern languages and the arts. Like John Chaplin, the Scottish-born headmaster, the 20 male and four female teachers are all expatriates and products of the British educational system. Dr Banda takes a full interest in the school's affairs and has to approve all important decisions.

Snowtime

Shrieks down the phone yesterday at an absurdly early hour: "Come and play snowballs!" Who else but my six-year-old god-daughter? What are godfathers for, if not to comply immediately with such outrageous requests (said her mother). Unfortunately, however, the early morning flakes in our area would not stick together so Kate and her older brother got very grumpy, not to mention soaking. That meant coffee and croissants at a grown-up café, to soothe their spirits, and (would you believe?) ice cream to follow. I also had to promise to find out why yesterday's snow did not make good snowballs.

I had imagined it had something to do with the structure of snow crystals. Having once toured the Swiss Federal Snow and Avalanche Research Institute on the Weissfluhjoch, and seen their machine which can stretch a single snow crystal to its breaking point, I knew that the flakes, after they land, break into six-sided pellets, then into trapezoidal forms, then into small balls that are chiefly responsible for avalanches. But I was wrong.

THE TIMES DIARY

If the ninth Earl Nelson appears to have turned a blind eye to the new Nelson Society, it is with good reason. After consenting to become president of the organization devoted to immortalizing the hero of Trafalgar, he failed to attend its inaugural meeting at the Norfolk Club in Norwich. However, this was largely because his duties as a detective sergeant at Hemel Hempstead police station in Hertfordshire would not allow it. The Earl, who succeeded to the title in September on the death of his uncle George, is somewhat diffident about the achievements of his ancestor and prefers the CID office to a seat in the House of Lords.

Det Sgt Peter John Horatio Nelson, 39, who lives in Berkhamstead with Lady Nelson (better known as Maureen, who has a part-time job at a motor dealer's office) is nevertheless expected to take a fuller part in the activities of the society when his time permits. The society was formed by James Saunders, a Liverpool printer, and a group of friends who believe that the nation's debt to Lord Nelson is being quickly forgotten. He has attracted other descendants of the admiral, who died 176 years ago, to the bosom of the society, and he plans newsletters, discussion meetings and visits to the Nelson Museum at Monmouth, HMS Victory at Portsmouth, and Nelson's birthplace in Norfolk.

James Saunders said: "It is a pity the Bank of England forgot Nelson and put the Duke of Wellington on the back of £5 notes. There would have been a Waterloo without Trafalgar."

Robert Ford sent these gems from *Prayers and Graces*, a little book of extraordinary piety collected by Allan Loring with illustrations by Mervyn Peake: "A curate, having taken considerable trouble to prepare a speech for a public meeting, found himself, to his disgust, called upon only to lead the audience in prayer. Determined not to waste his material, he embodied most of his speech in his prayer, one passage of which ran: 'Lest this point be too obscure, O Lord, permit Thy servant to illustrate it with an anecdote...' Wilberforce used to tell the story of a greedy clergyman who, when asked to

daughters of six may find this a problem. All of which is, conceivably, more than you wanted to know about snowballs. But a promise is a promise — and I have no wish to get pelted next time there is an above-zero blizzard.

Amazing grace

Following my story about witty prayers being discussed at a dinner the other day, Earl Lloyd George of Dwyfor has written in with his own favourite, which he attributes to a sporting Norfolk person waiting for the start of a

partridge drive: "Oh Lord, one at a time please, and all to me."

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say grace, would look anxiously to see if there were champagne glasses on the table. If there were, he would begin, 'O most abundant Jehovah, dost thou really saw only claret glasses, he would pray: 'We are not worthy, O Lord, of these, the least of Thy mercies.'"

Hard lines

Forget all the other "Christmas presents for the person-who-has-everything". This is it. Tony Benn's book, *Arguments for Democracy*, is available through the *Tribune* signed by the author himself. What's more, you can supply your own dedication, and Benn will sign underneath. I have already sent for a copy, with the dedication, "Democracy is the theory that the common people know what they want, and deserve to get it good and hard."

Moving scenes

It was so crowded at the Granada Television party yesterday when the last episodes of *Brideshead Revisited* were unveiled to the press that I barely had room to raise a glass to my lips. Jeremy Irons was just as hemmed in but I think I embarrassed him a little when he was explaining what he had been doing since finishing *Brideshead* and *The French Lieutenant's Woman*. He was describing how he had been playing Hamlet in the middle of the Utah desert for the BBC's *History of the Theatre*, due in 1984, but I was ill-mannered

enough to press him on why it was necessary to go to Utah for that. It turned out to be because they have a perfect reproduction of the South-west Globe Theatre in that one. I agree it was a strange choice for a few minutes of screen time. I suspect there's another Globe set at Elstree, if they had looked.

Now the excitement is almost over here, a covey of stars and backroom persons are off to Los Angeles next month for the launch of the serial on the Public Broadcasting System on January 18. Director Charles Sturridge said that despite the critics here, he did not think *Brideshead* would be too slow for the Americans. I had not the heart to tell him of one complaint at last year's launch for British production bought by PBS in Hollywood: "Your drama is so slow that the most movement comes from the scenery."

Evolutionary?

Claude Lévi-Strauss, the French anthropologist, is now in his last year at the Collège de France (he was allowed two extra years because he was dismissed by the Vichy Government during the war). My spies-in-Paris tell me that Françoise Héritier, an expert on African kinship patterns, is going to take over. I hope it will be thought unduly chauvinist of me to say that it is the end of an era.

Peter Watson



P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234

HOW TO COPE WITH GADDAFI

What should one do about Colonel Gaddafi? That question has been nagging the governments of quite a few countries for some years, and has now engaged the attention of the National Security Council of the United States, with President Reagan personally presiding, for two consecutive days. Normally speaking it would be considered highly offensive for the government of one country to consider "doing" anything about the leader of another country. But Colonel Gaddafi's case is decidedly abnormal. He is a self-styled revolutionary leader who really does not hold with the normal paraphernalia of international relations at all. He refuses to call himself either head of state or head of government, preferring the title "Leader of the Revolution". His country is no mere republic (*jumhuriya*); it has to be a *jama'iriya* ("state of the masses"). Instead of embassies, it has "people's bureaux". And so on.

Such eccentricities would not matter if they were purely verbal. But they are not. The "Brother Colonel" as he is also liked to be called, does not consider himself bound by the international law that forbids one to commit acts of mayhem in states with which one maintains ostensibly friendly relations. Actually he is not, unfortunately, unique in that respect, but he is uniquely open in what he does. From time to time he openly threatens his exiled countrymen with "popular justice" if they refuse to return home; and there is not much secrecy about the training camps he maintains for "liberation movements" of such ideological diversity that a predilection for violence and terror is almost their only common denominator. In addition to that, he maintains an awesome arsenal of Soviet-made weapons, and is given to musing aloud about re-drawing the map of northern and equatorial Africa.

As if all that were not alarming enough, he evinces a strong desire to possess nuclear weapons, and is apparently willing to finance their production by any developing country that will promise him a share of the results. Has he now also promised himself the scalp of the President of the United States (whose attention he was drawing, not

so long ago, to the plight of American Indians)? President Reagan himself seems to believe so, and it must be admitted that such a scheme would not be completely out of character.

That character has also its Dr. Jekyll aspect. The same man who fantasises, day in, day out, against American imperialism, is quite happy to supply oil to the United States in order to earn the dollars with which he buys his Soviet arms and other imports. He offers large salaries to Western technicians to run his oil industry for him. He is capable of staging a reconciliation with King Hassan of Morocco in order to make Tripoli an acceptable venue for next year's OAU summit, and of withdrawing his troops meekly from Chad once requested to do so by President Goukouni Oueddei.

No doubt, for all his own breathing of fire and brimstone, he is sensitive to threats of retribution. He may fear an assassination attempt against himself — though his East German security advisers are generally thought to have made that extremely difficult. He does almost certainly fear an invasion of his country from Egypt, with American encouragement. He has undoubtedly been put out by Exon's withdrawal from the country under United States government pressure, and by the fall in his oil revenues resulting from the present world glut, with the consequent slowdown of the Libyan economy.

That does not mean that it would be wise for the West to try to organize his overthrow, whether by covert action or by encouraging an Egyptian attack (which President Mubarak is in any case probably unwilling to undertake). The objection to such a course (even if one discounts purely ethical considerations) is that the consequences of success are as difficult to foresee, and almost as likely to be adverse for the West, as the consequences of failure.

Economic sanctions do not have a very good track record, either. The threat of them is generally more potent than their actual application, the most probable effect of which, in this case, would be to render Libya much more closely dependent on the Soviet bloc than it is at present. It is right, however, for America to take advantage of the present oil glut to reduce its dependence on such an awkward supplier, and to extricate itself from the responsibility of being the main financier of the Colonel's escapades.

Sanctions might have made sense as a lever to get Libyan troops out of Chad, had the Colonel refused to remove them. It is more difficult to envisage them as a way of ending terrorism and assassination. Until when would they be applied? Until Colonel Gaddafi was overthrown? Until he promised to behave better? Until a consortium of Western intelligence services was satisfied that he had not ordered anyone's assassination in the last six months? The objections to any of these deadlines are not hard to think of. It has to be admitted that there is no easy solution. The most important thing is that each state should effectively enforce its laws on its own territories. If his squads are at large, they should be apprehended, tried and sentenced. If people with diplomatic status are abusing it to aid and abet crime, they should be promptly expelled (as several were from this country last year). If "people's bureaux" are collectively and systematically involved in such activities they should be closed down (as the one in Washington has been). Citizens of Western countries should not be forbidden to go to Libya (a procedure which generally raises difficult constitutional issues) but should be warned that relations between that country and their own are not normal and that they take a risk of being the victims of Libyan reprisals in a crisis. Bona fide Libyan opponents of the regime should be given protection and also a degree of moral support.

Of course, if Libyan forces attack any country it is entitled to shoot back, as the United States did in the Gulf of Sirte last August. Short of that, all one can do is keep the Colonel at arm's length, and discourage other countries from helping him with his harebrained schemes.

Luckily he is no longer the charismatic and influential figure in the Middle East that he once was. He really is not a worthy opponent for the President of the United States to engage in a televised exchange of insults.

THE CAPTIVE PRINCESS

There will be wide public sympathy for the appeal made yesterday by the Press Secretary to the Queen, on behalf of the Royal Family, for respect for the privacy of the Princess of Wales. The immediate occasion of the request is the surveillance of the Princess by photographers who have been bivouacked near her home in Highgrove, Gloucestershire. It is graciously suggested that these are mainly foreign intruders, but some of the prying photographers have been British and certainly at least three national dailies have encouraged them by publishing their work. The most recent, on Monday, was a photograph purporting to show Prince Charles kissing the Princess on a balcony. It might have been Romeo and Juliet for all that could be discerned; it was a photograph whose out-of-focus muzziness would normally have led to derisive rejection but in this instance was presumably regarded as enhancing prurience. It should not have been taken and it should not have been published.

Everyone, Prince or pauper or Prime Minister, is entitled to protection from peeping Toms. The nearest precedent concerns the Queen and Princess Margaret who were photographed at picnics and water skiing in 1964 in the grounds of Sunninghill Park by photographers who were clearly trespassers; a forester came across two of the offenders hidden in the undergrowth with their cameras trained on the hut where Princess Margaret was changing her clothes.

Yet a different view must surely be taken in the light of the certain knowledge that

etc. of Holloway prison, and of the weekly "case committee" which dealt with the after-care of prisoners leaving in the following week. I learnt that a prison sentence is both out of date, inappropriate and indeed, useless in the case of a prostitute. At the meetings of the case committee, the chairman was assisted by representatives of the Salvation Army, the Probation Office, the Ministry of Labour, the RWS as well as by the chaplain, the priest, the Governor, the medical officer, and the prison visitor.

Every effort was made to help. In the cases of prostitutes the reply to our inquiries was always an assurance of "no problem." Often the prisoner would say, "Thank you very much. I've had a fine rest and feel tons better." It may well be asked, what is the alternative? The answer is — very much higher fines.

Yours faithfully,
EDMUND STOCKDALE,
Hodding House,
Updon Grey,
Basingstoke,
Hampshire

Concern at burden of heavy lorries

From the President of the Civic Trust

Sir, Not surprisingly, the plan to increase the maximum permitted weight of lorries from 32.5 to 40 tonnes has aroused widespread alarm. In fact the Government's White Paper on this subject itself acknowledges that this is a "matter of grave public concern."

This important decision is being taken on the basis of quite inadequate information about the consequences.

The White Paper claims that more than half the historic towns in England which lie on trunk roads have by-passes. But lorries are by no means confined to trunk roads. The Historic Buildings Council, in 1978, advised that out of 410 historic towns which were threatened by excessive traffic, only 158 had been wholly or partly by-passed.

In the absence of official action the Civic Trust has carried out a sample survey of the roads forming the Advisory Lorry Route Network, proposed by the Government in 1976. This survey, which covers all towns and villages with populations between 500 and 150,000, shows that only about 25 per cent of these now have by-passes.

The White Paper, while acknowledging that noise from lorries is a serious problem, seems to intend to restrict the promise of a "quiet" heavy lorry for the 1990s. But this was promised in the 1970s for the 1980s and no such lorry is as yet in production.

The White Paper claims that heavier lorries will mean fewer lorries; yet, in the past, each time increases in lorry weights have been permitted the number of heavier lorries has risen.

The question, therefore, is whether in these circumstances the limited financial advantages of the proposed change justifies inflicting the grave and irretrievable damage which this would involve. I have no doubt that the answer is "No".

Yours faithfully,
DUNCAN SANDYS
Civic Trust,
17 Carlton House Terrace, SW1,
December 5.

Calculating swings

From Dr D. Firth

Sir, The article by Mr Ivor Crewe in your issue of November 28 was accompanied by a table including percentage swings from Conservative and Labour to the SDP. Liberal Alliance in four recent elections. These swings appear to have been calculated using the rule: swing from A to B is half the sum of the decrease in A and the increase in B. Although this is adequate for elections involving only two main parties, it is inappropriate when more parties are involved.

It is timely to consider how to extend the useful concept of "swing" in a meaningful way to accurate ways or more parties. Considering the same four elections as Mr Crewe, the percentage changes are:

	C	L	SDP-L	Others
Warrington	-18.8	-14.1	+29.5	+2.5
Creighton	-18.8	-14.1	+29.5	+2.5
St. Pancras	-17.1	-25.3	+33.7	+3.9
Doncaster	-18.8	-14.1	+29.5	+2.5

In cases where three changes are negative and one positive (St. Pancras, Crosby), the extension is straightforward: the swing from each party to the SDP-Liberal Alliance is equal to the percentage of votes lost. A more accurate way is where two changes are positive and two are negative.

The problem lies in determining what proportion of the percentage lost by Conservative or Labour has gone to the Alliance and other parties respectively. The simplest solution is to divide the percentage of votes lost in the same proportions as the overall percentage gains. Applying these rules leads to the following percentage swing table:

	C	L	Lib	Lab	Others
Warrington	-20.7	-20.7	-12.8	1.5	-
Creighton	-20.7	-20.7	-12.8	1.5	-
St. Pancras	-17.1	-17.1	-15.3	-1.3	1.3
Doncaster	-20.7	-20.7	-12.8	1.5	-

Thus it can be seen, for example, that the SDP-Liberal Alliance is gaining consistently more previous Conservative voters than previous Labour voters.

Yours faithfully,
DON KIRBY,
160 Fox Lane,
Didbury,
Manchester.

Romney Marsh

From the Bishop Suffragan of Maidstone

Sir, Michael Nightingale (letter, November 28) unfortunately tells only part of the story. It is not true that "the last resident clergyman amongst the rural parishes of Romney Marsh, is about to be replaced." The parishes of the Marsh have courageously reorganised themselves and the Diocese of Canterbury is planning not only to replace the retired man but also to give the Marsh additional pastoral help.

There is no simple answer to the maintenance of these lovely churches, and many of us in the Canterbury diocese hope that the wider community can come to their assistance. But if those churches are "to stand as a thank-offering" then pastoral care must be put squarely alongside the considerations of architecture and the environment. After all, the Church is in the business of caring for living communities and not just preserving ancient buildings. However beautiful.

Yours faithfully,
ROBERT MAIDSTONE,
Bishop's House,
Egerton,
Ashford,
Kent.

LETTERS TO THE EDITOR

Mr Bukovsky and peace in Europe

From Canon Paul Oestreicher

Sir, When Vladimir Bukovsky was a political prisoner in the Soviet Union I was, as chairman of the British Section of Amnesty International, actively involved in the campaign for his release. Happily it succeeded. Happily in his exile he is free to publish what he likes.

May I now, as an activist in the peace movement since the fifties and as a member of the National Council of the Campaign for Nuclear Disarmament, invite him to take the trouble to get to know the movement he attacks so passionately and misrepresents so completely in your columns?

A movement that seriously intends to contribute to peace needs to be seen in the light of a constant rigorous critique. Public debate, from which all can learn, is essential. Sadly, Bukovsky's passionate attack makes little contribution to the moral and political debate. He believes that the peace movement is based on false emotion. The one virtue of his long article is that it lays bare his own strong emotions, which reflect those of many others. And emotions are an important element in any political situation.

I can appreciate Bukovsky's feelings. What I regret is that these feelings are based on "facts" about the peace movement which are largely in the realms of fantasy. He may well know a few people with the attitudes he describes. They may wear CND badges, but their views do not even approximate to the opinions and policies of the leaders of the peace movement in Britain, Holland and West Germany — those I know at first hand.

Others will no doubt point out some of Bukovsky's factual mistakes. That is not my purpose here. I know him to be sincere and invite him to join the real debate. When he does know the facts, I suspect he will still disagree with CND, but for him to decide possible peace movements does not hold is to indulge in propaganda, not debate. The latter is essential, while the former needs to be as firmly rejected as CND would have rejected "Moscow gold".

Yours sincerely,
PAUL OESTREICHER,
40 Dartmouth Row, SE10,
December 7.

From Monsignor Bruce Kent

Sir, The extreme language of those who have suffered greatly is its own justification and I have no comment to make about that aspect of Mr Bukovsky's article (December 4), on the European peace movements.

However, since CND was named in the subtitle and its logo shown in the photograph, it must be said that on a number of important points Mr Bukovsky is simply in error.

SS2Os do not get from the peace movement a brief mention. They were well mentioned on the thousands of leaflets and posters which left this office before the rally on October 24. "No cruise, no Pershing, no SS2Os" read the official CND publicity.

I know nothing of subsidized trips to Soviet resorts and

Savoy management

From the Vice Chairman and Chief Executive of Trusthouse Forte

Sir, We do not know who invented the story that THF has planted a spy or "mole" at the Savoy Hotel in the person of Mr Willy Bauer as its new general manager. We are appalled by the highly insulting suggestion that he should be so sure, and we can only conclude that the reader's letter of rebuttal to the trade journal that published the original suggestion was a week earlier.

As to Mr Bauer's training, after 16 years with THF we feel that we can justifiably claim a major share in the credit for his success. Sir Hugh is quoted as saying that the appointment should give THF "confidence that their main asset in London will be in very capable hands". Our investment in the Savoy Group is slightly more than 65 per cent of the shares and 65 per cent A and B shares combined, not the 62 per cent which Sir Hugh appears to think we hold. This holding gives us 40.2 per cent of the votes, as Sir Hugh should well know as chairman of the group.

According to Mr Bauer, he was enticed to the Savoy by a "little whisper" in his ear. We do not believe that enough can be accomplished simply by the enticement of one new manager. Rather we firmly believe that the Savoy Group needs the backing of THF direction, expertise and capital if it is to realize its long dormant potential. The time for rejecting will be when we can assist the Savoy in such a comprehensive way.

Until then we are delighted that Mr Bauer intends to adopt our philosophy that "maintenance of standards at the Savoy must go hand in hand with profit-making".

Yours faithfully,
ERIC HARTWELL,
Trusthouse Forte,
85 Park Lane, W1.

Business reality

From the P. M. de Semlyen

Sir, The letter from Lord Kaldor (December 3) in reply to that of the 17 business leaders, helps to remind us of the damage done to the infrastructure of our economy by the administration that he advised.

The picture he paints of top industrialists, cheerful at the prospect of "treating workmen like dirt" happily belongs to an industrial era nearly past. Less happily, it appears to be still apparently lived out and taught to economists at Cambridge. Was it not his circle who dreamt up Selective Employment Tax, inflicting overmanagement on all of us and undermining the will to work? "Text of the sack" is often acceptance of reality. Knowledge that whatever you do or do not do, the state or the union will protect your job is the alternative. Did not Lord Kaldor follow this road directly to *In Place of Strife*?

My company, once over-managed, welter-orientated, lacking cohesion, discipline and professional working attitudes has faced reality. Unit costs have been substantially reduced. Redundancies have been accepted by everyone as necessary and inevitable.

Communications in companies are rapidly improving. Lord Kaldor, who relies on foreign businessmen to support his

whatever the allegations against an individual Danish journalist there is not the slightest evidence that the peace movements are in receipt of Soviet money. Those who know our working conditions could not possibly believe anything else.

The peace movements do not encourage the throwing of stones at General Haig or anyone else. Indeed non-violence was the outstanding characteristic of the recent European demonstration in The Stockholm International Peace Research Institute, not the KGB (or the Pentagon), is our basic source of information about the arms race.

We do not call for the unilateral disarmament of the West but, given the present irrational overkill capacity, we say that both sides could make deep cuts in their nuclear arsenals without any loss to what they choose to call security. We do not ask for the unilateral abandonment of an "independent" British nuclear role, which is both expensive and purposeless.

We did condemn the invasion of Afghanistan, but we have not spoken about Sakharov, Mandela, Romero or Berrigan. If we have not mentioned Poland neither have we spoken about Salvador, the Middle East or East Timor. Ours is not a movement for the general denunciation of all violations of human rights and we do not pretend to have the competence to issue useful statements about every international flashpoint.

Finally, it need not be any surprise that the World Peace Council knew in 1980 about a disarmament week in 1981. After all the dates were agreed at the United Nations special session in 1978 and governments and non-governmental organisations pledged themselves to support this annual event.

I hope that Mr Bukovsky will be able one day to accept that it is not possible to divide the world as he divides it and that it is the technology of the arms race as much as the malice of individuals or groups which leads us like lemmings to the war that no one can win. It is just that future that the peace movements refuse to accept. Europe, East and West, is not for the super Powers to use as their front line.

Yours faithfully,
BRUCE KENT,
General Secretary,
Campaign for Nuclear Disarmament,
11 Goodwin Street, N4,
December 6.

From Air Chief Marshal Sir Theodore McEvoy

Sir, Vladimir Bukovsky is right when he says that intelligent discussion with unilateral disarmers is impossible, but may I suggest that you reprint his article (December 4) as a pamphlet which we can buy and send to our misguided friends? After all, he knows more about the Soviet Union than they or we do.

Yours faithfully,
THEO MCEVOY,
75A Boundstone Road,
Rokewood,
Farnham,
Surrey,
December 4.

capable hands". Our investment in the Savoy Group is slightly more than 65 per cent of the shares and 65 per cent A and B shares combined, not the 62 per cent which Sir Hugh appears to think we hold. This holding gives us 40.2 per cent of the votes, as Sir Hugh should well know as chairman of the group.

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Until then we are delighted that Mr Bauer intends to adopt our philosophy that "maintenance of standards at the Savoy must go hand in hand with profit-making".

Yours faithfully,
ERIC HARTWELL,
Trusthouse Forte,
85 Park Lane, W1.

Round trip

From Professor Richard Schlegel

Sir, Within the past year both my son, in San Francisco, and I, on Gower Street in London, have had similar accidents. Unwittingly we have put one foot on a hoop-like ribbon of plastic (quite probably discarded as a binding for a bundle of newspapers), thereby raising the hoop enough for the other foot to enter it. With the second foot caught in the ribbon, held firmly to the ground by the other foot, a nasty fall has resulted.

This new pedestrian hazard is apparently made possible by the strong plastics now being produced. Will those who utilize closed ribbons of the material please have a care not to strew them in the paths of moving feet?

Sincerely yours,
RICHARD SCHLEGEL,
Wolfson College, Cambridge.

Scientific tests for Darwinism

From Professor D. S. Falconer, FRS, and Professor A. Robertson, FRS

Sir, It is not true that evolution cannot be falsified, as Mr Leslie Cunliffe says (December 7). Evolution, as a scientific theory, predicts that if organisms are classified according to their resemblances and differences, the groups so found will be related to each other in a hierarchical manner, which can be depicted as a branching tree. If this were found not to be true evolution would be disproved.

Evolutionary theory interprets the tree so constructed as reflecting the lines of ancestral descent. A more powerful test comes from considering the many different characteristics by which organisms can be classified. If different characteristics demanded different trees, this would disprove evolution. In other words, the same line of descent must be deduced from all organs and structures of a particular species.

Recent developments of molecular genetics have made it possible to quantify the differences between organisms in respect of many enzymes and other proteins. This provides a very powerful test of whether different characteristics require the same or different trees.

Mr Cunliffe also says that no one, as yet, has produced a new species. He overlooks the dogs. If the present breeds of dogs were found as fossils, the palaeontologists would without doubt classify them as different species or even different genera. Furthermore, their evolution has taken place so quickly that it would appear from the fossil record to be instantaneous, without intermediate stages.

Yours etc,
D. S. FALCONER,
ALAN ROBERTSON,
Department of Genetics,
University of Edinburgh,
December 7.

From Dr Malcolm Jack

Sir, Surely some metaphysical pundit can now produce a formula gradual enough to appease the evolutionists, creative enough for the creationists, falsifiable enough for St. Kant, Popper, and not big bang enough to frighten anyone else away? Yours faithfully,
MALCOLM JACK,
The Garden Flat,
56 Colindale Avenue, N8,
December 7.

Talking to the PLO

From the Reverend Saul Amias

Sir, Your leader, "The Arab summit debacle" (November 27) pointed out in clear terms what the PLO really is. If Arafat has the PLO over the PLO, if the PLO is "a thoroughly factious, hidden organisation in which various Arab countries pull the strings, how can the EEC say that the PLO should be brought into the negotiations? How can it be said that they represent the Palestinians when they are, in fact, controlled by Arab countries like Iraq, Syria and Libya?

When the Fahd plan was first announced it was reported that Arafat supported it, but subsequently Arafat let down even his paymaster. You yourself, Sir, suggest that Arafat is not in control of the PLO, and if so, what is the point of taking him into account in any Middle East arrangement?

Yours truly,
SAUL AMIAS,
34 Mowbray Road,
Edgware, Middlesex.

Tender stage

From Mr Anthony H. Chapman

Sir, Susan Beattie is right when she says (feature, December 1) that disabled people should not be banded together simply because of their handicaps. They all have individuality and quite disparate interests in life.

But at this tender stage of public awareness which the International Year has promoted we who are disabled must strive for the common ideal: that the everyday environment is so practicable that wheelchair-users like myself, or spastics, or those exhibiting mental handicap are encountered in town or countryside so frequently that we do not command a second glance.

Yours faithfully,
ANTHONY CHAPMAN,
30 Church End,
Bedfordshire.

More or less?

From Mrs R. G. M. Williams

Sir, I wonder if Mr Peter Tatchell can explain his way out of that innocent infelicitous statement? You report (December 5) that "Mr Tatchell supported equal rights and civil liberties for all minority groups, including women, gay people and ethnic minorities."

Have women ever been a minority group? Yours faithfully,
PATRICIA A. WILLIAMS,
30 Swan Street,
Boxford,
Colchester, Essex,
December 5.

Silent nights

From Miss Mary H. Thompson

Sir, How apt that you should inform us (Preview, December 4) of areas where there is no room for children or animals this Christmas.

Yours faithfully,
MARY H. THOMPSON,
11 Upper Gray Street,
Edinburgh,
December 4.

Overcrowded prisons

From Sir Edmund Stockdale

Sir, Your leading article, "Crisis in the Prisons," published on the same day (December 1) as Lord Hunt's letter, is my excuse for making a suggestion that would reduce the population in one prison at least, namely Holloway Prison.

I recommend that an immediate decision be taken to abolish prison sentences for prostitutes. During the years 1949-53, when Chairman of the Advisory Board,

Japan to retaliate over bid

Tokyo, Dec 8. — Fujitsu, the Japanese electronics company, may seek retaliation if the United States Government refuses to intervene in an American contract bid which Fujitsu lost despite being the lowest bidder.

Fujitsu is threatening to ask the semi-official Nippon Telegraph and Telephone (NTT) to consider Japan's national interest when deciding future international bidding for communications projects. Mr Takuma Yamamoto, company president, said Fujitsu would take this course if the United States Federal Communications Commission (FCC) upholds the recent decision by American Telephone and Telegraph to award a contract to an American company despite a lower Fujitsu bid.

Fujitsu has claimed it lost the contract to Western Electric to provide part of an optical fibre communications system between Boston and Washington because of political pressure from Congress.

When the Japanese bid was rejected, American Telephone and Telegraph said this was in the national interest.

Asked if Fujitsu might ask the NTT to take similar action should the dispute not be resolved, Mr Yamamoto said: "Yes, I would." — Reuters.

Brittan denies Government curbs on state sector borrowing

By Frances Williams

Mr Leon Brittan, Chief Secretary to the Treasury, denied yesterday that the Government was holding up progress towards allowing state industries to borrow from private capital markets.

The Government was attracted to the idea, provided certain conditions were met, he said.

The two main conditions were that the state industries should not compete unfairly with the private sector for investment funds; and that the schemes should provide a spur to efficiency and profitability to offset the additional costs of raising finance privately rather than through the Government's National Loans Fund.

But Mr Brittan, who was addressing a seminar in London on state industry finances and private capital, admitted that there were problems in devising schemes which met these conditions.

Referring to the proposed British Telecom bond, he said that Telecom's monopoly power, and the Government's duty to make sure it was not being remunerated at his expense, raised genuine difficulties.

"In an industry where real unit costs should be falling, the consumer needs some protection against the bond being remunerated at his expense. At the same time the investor needs reassur-

ance that the corporation's profits will not be artificially depressed by the Government. "Can we have both?" he asked. The problem had not yet been answered satisfactorily but he was hopeful that it would be.

The Government also wanted to be sure that there would be some tangible benefit through better performance before Telecom was allowed to go ahead with a profit-related bond, to justify the extra expense.

Mr Brittan insisted that state industry borrowing for productive investment was properly part of the public sector borrowing requirement because the industries were public sector bodies.

"In looking for 'private finance' we are not therefore looking for finance which would fall outside the PSBR," he said.

He repeated the Treasury's argument that additional investment by state industries would "crowd out" other investment, within the constraint of limited growth in total money incomes in the economy. He also attacked the notion that there was a vast pool of savings waiting to be tapped.

"I believe this notion is not only misconceived but is virtually the reverse of reality," he said. "Far from there being vast unused



Mr Smith at seminar: more investment needed

resources, we are witnessing intense competition for funds. In such circumstances the consequence of greater public sector investment and hence borrowing will be to increase inflationary pressures, raise interest rates and put further pressure on the private sector."

Mr John Smith, the Opposition front bench spokesman on trade, told the seminar of senior managers from the nationalised industries and City financial institutions that there needed to be an increase in state industry investment, even if that meant an increase in the PSBR.

He criticized the present system of controlling state industry investment, which he said was being "tested to destruction". He wanted to see welfare spending and seed-corn investment disentangled. Britain was the only country which included state industry investment in a PSBR, he added.

He also wanted the Government to adopt a more flexible approach to the needs of individual industries, and to experiment with new methods of financing public sector investment outside the PSBR in collaboration with the private sector.

Mr Bill Mackworth-Young, chairman of Morgan Grenfell, the merchant bank, strongly urged that nationalised industries should have access to the specialized facilities of financial markets. To deny this access for no better reason than state ownership seemed wrong and against the broader national interest.

He disagreed with the Treasury that simply because an enterprise was owned by the state its borrowings were by implication guaranteed by the Government. If a financing package stood on its own feet in relation to assets or to future income, it would compete in the financial markets on level terms with the private sector.

No elation at Airbus on TriStar decision

From Arthur Reed, Toulouse, Dec 8

Lockheed's decision to phase out production of the TriStar airline, partly because of competition from the European Airbus, caused no elation in this centre of the European aircraft industry.

First reaction from senior executives of Airbus Industrie, the European aerospace consortium producing the A300 and A310 airbuses was that no big new markets would open up at once to Europe as the TriStar is not in the same sales bracket as the airbuses.

They believe that potential Lockheed sales will go to Boeing and that this additional work will enable Boeing to reduce costs and prices against the Europeans.

The biggest impact is likely to be in the engine sector. Rolls-Royce is bidding to have the RJ500 engine, which it is developing with the Japanese, accepted for a new 150-seater airliner, the A320, which Airbus is planning and the loss of TriStar business, with its serious implications on future production and manpower prospects at the company's Derby works will make Rolls even more anxious to do a deal with the Europeans.

Airbus Industrie, in which British Aerospace is a 20 per cent partner, with the French and the West Germans holding 40 per cent each, in-

dicated here today that it will make a decision on which engine will go into the A320 by March.

M. Pierre Failleret, marketing senior vice-president, said that discussions with world airlines have confirmed a wide market for a 150-seater. Orders from at least two airlines are needed to launch the A320 and Air France which has already said it will take 50 aircraft, and Delta, the United States operator, which will need up to 100 in the long term, could meet this requirement.

To become such a programme would go a long way to help Rolls fill the gap left by the Lockheed phase-out.

The big United States engine manufacturers, General Electric and Pratt & Whitney, at competing with Rolls for the Airbus order, however. At the same time, Rolls has been talking to both the United States companies about a joint engine project with the RJ500.

M. Roger Beteille, general manager and executive vice-president of Airbus, said: "Rolls has put in a bid which is entirely credible technically on the RJ500. The other two manufacturers are as advanced on the technical side and the race is on."

"We have a bunch of proposals which we are carefully looking at and the technology level which is offered is pretty close from one to the other."

Development of the RJ500 engine is being carried out at the Rolls-Royce works at Patchway, Bristol, and early test engines are complete.

Airbus executives also said here today that Rolls is trying to have its RB211 engine, of the same type as that which powers the Lockheed TriStar, accepted for the European A300, a market which is at present the preserve of the United States engine companies.

Rolls has made similar attempts in the past, but has always lost the competition to its United States rivals. The impetus for a new attempt has been provided by an order for six A300s by Libyan Airline and the strong possibility that, in view of deteriorating relations between the United States and Libya, Washington will place an embargo on the sale of United States engines to that country.

IN BRIEF

Cadbury on need for big firms to decentralize

The shape of business over the next 20 years would include the disappearance of large centralized companies and the traditional management "pyramid", Sir Adrian Cadbury, chairman of Cadbury Schweppes, told a business conference yesterday.

He said that to compete internationally the United Kingdom would have to cut its costs and, to meet less predictable market conditions, would have to become more flexible.

This meant reversing the trend of the past 20 years, towards large centralized organizations. He added: "We will want in future to break down these organizations into their separate business units and to give these units freedom to compete in their particular markets."

"Large companies will become more like federations of small enterprises — not because 'small is beautiful' but because big is expensive and inflexible."

Fair deal plea

A former deal for Britain's Cooperative societies at relatively modest cost to the Chancellor of the Exchequer, is called for by the Cooperative Union in its proposals for next year's Budget. "or any fiscal measures in advance of it." Among other matters, the union asks for consideration of "a modern disregard for income tax purposes of share interest credited to members of industrial and provident societies."

The union is also calling for a cut in VAT to 12½ per cent, coupled with personal allowances linked to the retail price index.

Turmoil threat

Australia will suffer a period of unexpected industrial turmoil if the Government succeeds in blocking a new deal negotiated by metalworkers here, Mr John Halfpenny, Victoria secretary of the Amalgamated Metal Workers and Shipwrights Union, said.

Under the agreement the metalworkers obtained a pay rise of about 20 per cent and a cut in working hours.

Watch import curbs

Hongkong has called on France for prompt discussions after the French Government's decision to impose new restrictions on the import of Hongkong-made watches. Last week, France said it was to restrict Hongkong's export of quartz watches to 5.5 million for the period October this year to December next year.

Australians wary

Most Australian stock-market analysts are taking a wary view of the likely performance of Australian stock markets over the next 12 months. Brokers and Analysts in Melbourne and Sydney are generally optimistic about the short-term prospects, but less sure about the medium to long-term.

Korea ship orders

Foreign ship orders received by South Korea in the first 11 months of this year totalled 1,466 million gross tons for 78 ships, valued at \$1,991m (about £1,038m) the Korea Shipbuilders Association said yesterday.

French steel output

French crude steel production in the first 11 months of this year totalled 13.46 million tonnes, 10.2 per cent down on the corresponding period of 1980, the Steel Industry Association reports.

Base Lending Rates

ABN Bank	14½%
Barclays	14½%
BCCI	15 %
Consolidated Crds	15 %
C. Hoare & Co	14½%
Lloyds Bank	14½%
Midland Bank	14½%
Nat Westminster	14½%
TSE	14½%
Williams & Glyn's	14½%

* 7 day deposit on sums of £10,000 and under 12½% up to £50,000 13½% over £50,000 15½%

UK leads with new gas plant

A gas-making plant in Fife, which it is hoped will burn millions of pounds for Britain, attracted more than 70 engineers from a dozen countries yesterday.

The heart of the process, turning coal into gas, remained a secret but overseas visitors to the British Gas Westfield development centre were shown enough to demonstrate that gas was being produced more efficiently than in any other gasifier in the world. It is the first to turn its waste out as a usable product.

Mr Ray Sharman, director of the British Gas International Consultancy Service, said: "This is the only plant of its type in the world. I think we are at least four years ahead of our competitors."

The development of the slagging gasifier has taken eight and a half years. British Gas has invested about a third of that, the Americans around £15m, and the Germans the remainder. The gasifier is thought to have wide market potential in the years ahead.

Apart from substitute natural gas, it can also produce medium-calorific value gas to supply power generation units, and gas for iron and steel-making and for the chemical industry.

Since there is no immediate need for coal gasification plants in the United Kingdom, the first commercial units are likely to be built in the United States.

Mr Sharman said "British Gas will earn many millions of pounds in royalties over the next two or three decades. We will be selling licences to overseas users of the technology."

A big advance in the slagging gasifier is that its waste hardens into glassy black brick which can be employed in construction and road-building.

M. J. H. Nightingale & Co. Limited
27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212
The Over-the-Counter Market

1980/81	High	Low	Company	Price	Ch	Gr	Yld	Div	P/E	Vol	Traded
115	100	ARI Hags 10% CULS	115	—	10.0	8.6	—	—	—	—	—
76	39	Airsprung Group	66	—	4.7	7.1	10.5	14.5	—	—	—
52	21	Armstrong & Rhodes	43	—	4.3	10.0	3.6	8.1	—	—	—
200	92½	Bardon Hill	193	—	3.7	5.0	9.4	11.4	—	—	—
104	88	Deborah Services	88	—	5.5	6.3	4.4	8.3	—	—	—
126	88	Frank Horsell	122	—	6.4	5.2	11.0	25.5	—	—	—
710	39	Frederick Parker	62	—	1.7	2.7	27.0	—	—	—	—
110	46	George Blair	46	—	—	—	—	—	—	—	—
102	93	IPC	100	—	7.3	7.3	7.2	10.9	—	—	—
113	57	Jackson Group	97	—	7.0	7.2	3.1	6.9	—	—	—
130	103	James Burroughs	112½	—	8.7	7.8	8.2	10.3	—	—	—
334	244	Robert Jenkins	263½	—	31.3	11.9	3.7	9.3	—	—	—
59	50	Scripps "A"	46½	—	5.3	9.8	8.3	7.7	—	—	—
224	168	Torday & Corfield	168	—	10.7	6.4	5.4	10.0	—	—	—
23	8	Twinklark Ord	13½	—	—	—	—	—	—	—	—
90	68	Twinklark 15% ULS	72	—	15.0	20.8	—	—	—	—	—
56	32	Unilock Holdings	32	—	3.0	9.4	5.7	9.7	—	—	—
103	78	Walter Alexander	78	—	6.4	3.2	5.1	9.1	—	—	—
283	181	W. S. Yeates	212	—	13.1	6.2	4.0	8.2	—	—	—

To the Shareholders of

HOUSE OF FRASER

The Monopolies Commission report will be published today.

Take no action until you hear from your Board.

محکمات الامم

BY THE FINANCIAL EDITOR

Interest rate hopes snowed under

Any hopes of further pre-Christmas cheer on the interest rate front were comprehensively blanketed under some disappointing November money supply figures yesterday. The Bank of England's preliminary estimate is that sterling M3, the broad measure of banking money, rose by a half per cent (or some £380m) in the four weeks to November 18 — a period in which the money supply should have been falling as tax payments held up by the civil servants' dispute started to roll in.

Deferred tax payments were, apparently, worth an estimated £1,250m, which must have meant that the public sector had a negative influence on domestic credit expansion. The financing of at least part of these tax payments through recourse to bank borrowing was, of course, fully expected. Even so, a rise of £1,200m in clearing bank lending, put as high as £1,750m on a seasonally adjusted basis, was something of a shock. Total lending to the private sector may well have been of the order of £2,500m.

The clearer, hardly surprisingly since they are in the business to lend, do not appear unduly perturbed. They explain away most of the increase in their lending under three headings: first, the financing of tax payments; secondly, the structure of relative interest rates, which led to many large borrowers switching back into overdraft facilities; and thirdly, a further significant increase in mortgage lending, a good part probably being no more than the refinancing of building society loans.

That is as may be. The fact remains that the figures do nothing to encourage the idea that the authorities are going to find it easy to get back on top of the monetary situation — in terms of controlling bank lending, of maintaining the funding momentum, and regulating banking liquidity.

On an operational basis, the Bank now seems likely to err on the side of caution in allowing interest rates to fall until there is clear evidence that it has a firm grasp on the situation. As far as medium term strategy goes, it is high time the authorities injected their own contribution into the debate on the usefulness of the various monetary aggregates and, albeit more contentious, how the banking/building society structure might most sensibly evolve.

Channel Ferries Painful decisions to come

The Monopolies Commission's veto of European Ferries' intended bid for Sealink may have averted a political storm. But it still leaves a picture of hopeless overcapacity, low prices and no profitability illustrating the current state of the United Kingdom ferry industry. In effect the Commission has told the main operators, European Ferries, Sealink, owned by British Rail, and P & O, to rationalize the industry themselves, which could involve painful if necessary decisions to cut back on routes, trim the number of employees and sell some ships.

Such rationalization is vital given the ravages waged by the price war over the last two years, and the war would be intensified should the French put their subsidized money where their intentions are and double their share of the cross-Channel market to 40 per cent. In its judgment that a merger would have reduced competition in ferry services and at ports, the Commission has "rubber-stamped" the current situation which has benefited the customer. And rightly so. However, there can be no competition if companies are forced out of business. European Ferries shipping division lost £9.3m in the first half of this year. Sealink losses in 1981 are estimated at between £5m and £10m after the £3.9m loss last year, while P & O's losses totalled £5.2m for the first half.

For European Ferries the decision is a huge blow. Traditionally a shipping profits, peaking at £18.3m in 1978, have funded the property development side and enabled the group to expand into merchant banking through the Singer and a Friedlander acquisition last year. Without a strong shipping contribution, European Ferries takes on the appear-

ance of a highly geared, high risk property development company. Pretax profits this year could halve to around £15m, so little wonder the company has run a for sale sign up the flagpole.

Sealink and its British Rail parent wish to float the company on the stock market in two years. This is a pipedream at present given the state of the industry, the mounting losses and a balance sheet showing two thirds of net assets (£169m) in the form of loans and leasing liabilities from the parent.

So it is likely that BR will invite other ferry groups with Scandinavian roots to the fore, to subscribe (up to £30m) for a joint venture arrangement until profitability is restored. By then, of course, privatization may no longer be the key political cure-all.

Bass Coral's useful contribution

In one of the worst years for brewers Bass has done well to turn in a £20m rise in pretax profits to £133m. The main interest, however, was obviously to see how Coral has fared under its new proprietors. With Coral's leisure interests now fully integrated (for a nine month contribution), the group point out that its results cannot be separately identified; but there is help from Bass's first attempt to give a divisional breakdown. From a £3.2m loss in its first quarter, Coral has probably contributed about £12m of the £14.5m jump in profits from the hotels, racing and hotels division to £24.7m and is expected to improve further next



Bass chairman Mr Derek Palamar

year. The rest of the increase in this area has come largely from Bass's own hotels, together with exchange translations from overseas interests.

With trading profits up £6m to £128m from these activities Bass looks to have eked higher market share at the expense of profit margins. But with beer sales nationally probably over the worst, Bass should now be able to capitalize on its position. So, with the expected higher earnings from Coral, and excluding property sales, Bass could make £145m to £150m next year. At yesterday's share price the yield on the total gross dividend, up at 13.5p against 12.2p, is 6.4 per cent.

Hard hit by the recession, the timber companies are now just about ticking over until an upturn in their fortunes occurs. At present there is precious little sign of any increase in demand, while overseas the problems of some concerns seem to be multiplying. But such has been the rationalization in the industry that the gearing effect of an increase in demand could eventually be quite dramatic.

Of the two reporting yesterday Montague L. Meyer showed a return to profitability in the first six months of the current year following last year's heavy second half losses. On turnover little changed at £155m, trading profit came out at £5.3m against £9.1m in the first half of the corresponding year, while at the pretax level profits were £567,000 against £3.1m. At International Timber pretax profits for the six months to September came to £1.5, compared with £1.99m in the half year September 1980.

Overseas activities occasionally cushion the groups from the worst of a United Kingdom downturn, but this time for Meyer the Dutch operation is losing about £1m at an annual rate. Both Australia and the Far East are also in the red, though not to the same extent.

Peter Norman

Poland: why the German banks are getting tough

A second successive year of badly depressed profits has resulted in a perceptible toughening of attitudes on the part of most German banks towards the Poles.

For most banks, 1981 has been a hard slog. Although the profitability of classical banking business has improved over the second half of the year, many are facing heavy write-offs on their securities portfolios and domestic credit business.

In these circumstances, the last thing that bankers wanted to hear was that Poland was anxious not to pay in full some \$500m (£255m) in interest and repayment of debt that had been set two months ago as a condition for the completion of the agreement rescheduling \$2,400m worth of Polish bank debt due this year.

Last week, German bankers were speculating that the Polish unwillingness to pay could result in the collapse of the rescheduling agreement worked out at the beginning of October. They have since been given verbal assurances that Poland will pay the debt, but scepticism remains.

The German banks have been taking a rough line with the Poles, insisting that the 1981 rescheduling and subsequent debt restructuring exercises can only go ahead if the outstanding money owed to the 460 Western creditor banks is paid by the end of the year.

Poland has up to now kept up with the interest payments due on its Western debt — albeit with slight delays. But bankers are worried that the worsening state of the Polish domestic economy could make it impossible for the country to fulfil its obligation to pay back at the end of 1981 the agreed 5 per cent of the principle that was due for repayment over the last nine months of this year.

West Germany is Poland's biggest single creditor in the West, both for official and commercial debt. Of the \$27,000m of hard currency debt owed by the Poles, some \$4,500m are owed to West Germany. The bulk of this, \$2,700m worth, is not covered by state guarantees. Significantly, West German bank the Dresdner Bank — was chosen to lead the task force that negotiates with the Poles on behalf of the 460 Western creditor banks.

Not guaranteed

But the Dresdner Bank is not Poland's biggest creditor in the German banking community.

According to unofficial estimates, the trade union owned bank Eür Gemeinwirtschaft, is owed a total of \$950m Marks, of which DM 700m are not guaranteed. Commerbank occupies the second place, with an overall creditor position of DM 910m, of which DM 600m are not guaranteed.

The Deutsche Bank, West Germany's largest and most profitable bank, is said to be owed DM 450m, of which DM 450m are guaranteed while Dresdner Bank occupies fourth place with its creditor position being put at DM 680m, of which DM 400m are not covered by guarantees.

Among these four banks (and there are many other lesser creditors), views differ in how to treat the Polish risk.

Dr Hans Friderichs, the chief executive of the Dresdner Bank, surprised some of his competitors in Frankfurt last week by announcing that the Dresdner Bank had decided to create a reserve to cover risks in its Polish Exposure. The announcement coming from the bank which must have the best insight into Poland's domestic affairs, was hardly encouraging. Still less was his observation that the reserve would probably be built up without first obtaining assurances that the funds set aside would qualify for tax relief.

Profits squeeze:

The Dresdner Bank's statement was not remarkable because it is one of the large West German banks that is still suffering — from a serious profits squeeze.

Dr Friderichs effectively dispelled the myth that the only bank setting aside funds to cover its Polish risks was the Deutsche Bank — and this allegedly because it was one of the few German banks that can afford to do so.

The Deutsche Bank has been characteristically cautious in commenting on its policy towards its Polish debt. Its last interim report merely says that the bank will have to increase considerably its already large provision for risks in its lending to individual borrowers and countries. But in a recent speech Herr Hermann J. Abs, the Deutsche Bank's honorary chairman, laid down some guidelines that the present board would be almost certain to respect.

Herr Abs said banks should not wait for a formal moratorium before having to make provisions for country risks. Reserves should be built up in the event of large rescheduling operations, anticipated drops in interest payments or deferral of repayment.

In contrast, both the Bank für Gemeinwirtschaft and Commerbank have argued that no reserves need to be made in respect of Poland as long as it pays its interest. For these banks the planned rescheduling agreement would, presumably, amount to an acceptable business proposition as it is envisaged that Poland should pay interest at 1.75 per cent over the London interbank rate.

There is probably a strong element of poker as well as prudence in the Dresdner Bank's decision to build up a Polish risk fund. No West German banker wants the rescheduling agreement to collapse but they are equally determined to show the Poles that they cannot restructure debt for nothing. Hence the insistence that Poland should pay the \$300m owing by the end of the year before any further discussion can begin on granting new credit to the Poles or rescheduling the debts due for payment in 1982 and subsequent years.

Bankers believe that to meet their obligations, the Poles will have to tap other sources for the money and that Western governments are unlikely to step into the breach. As the year moves towards a close it appears as if the Soviet Union will have to deep into its pocket to support its wayward satellite if it wants to preserve the Polish debt. The rescheduling operation and with it the financial credibility of the Comecon block.

European Ferries' bid is torpedoed

In classic terms, the Monopolies and Mergers Commission was undoubtedly right to turn down European Ferries' bid for BR's Sealink shipping subsidiary.

But it is wrong so far as the Government's privatization plans are concerned and wrong in terms of BR's short-term need for raising cash for the railway by selling off non-railway possessions.

Whether it will be right or wrong for the consumer remains to be seen. The commission, as one might expect, has no doubt about that, but the future of Sealink and of the Channel routes remains cloudy.

No doubt this decision will prevent the evil that could possibly have arisen from the merger. Whether the good that might otherwise arise will actually do so remains to be seen. It will be largely up to the Government, British Rail and Sealink.

The decision was right in that the merger would have given a combined company over 70 per cent of the Channel trade a huge margin over the generally accepted definition of a monopoly.

And there is no doubt that this raised fears in many people's minds. That the unions were opposed is hardly surprising in the circumstances.

European Ferries made no bones in its evidence that the merger would be followed by a pretty ruthless pruning of Sealink's land and sea operations. Sealink's 600 head-quarters staff suggested "gross over-manning" and EF, with a rationalized and decentralized operation, would have little use for most of them, it said. There would also be a loss of 1,650 seafarers, ships and routes were excised.

Equally unsurprising was the opposition of rival ferry lines on the Sealink routes, especially those of continental countries which have been in partnership with BR within the Sealink consortium.

But the Road Haulage Association, the Freight Transport Association and the Passenger Shipping Association were opposed as well, suggesting that EF has perhaps too ruthless an image.

Clearly these people feared EF would use its stronger position to disadvantage in the form of higher charges and perhaps reduced choice of service, rather than, as EF claimed in its evidence, to the advantage of users through lower costs and prices and a more efficient service.

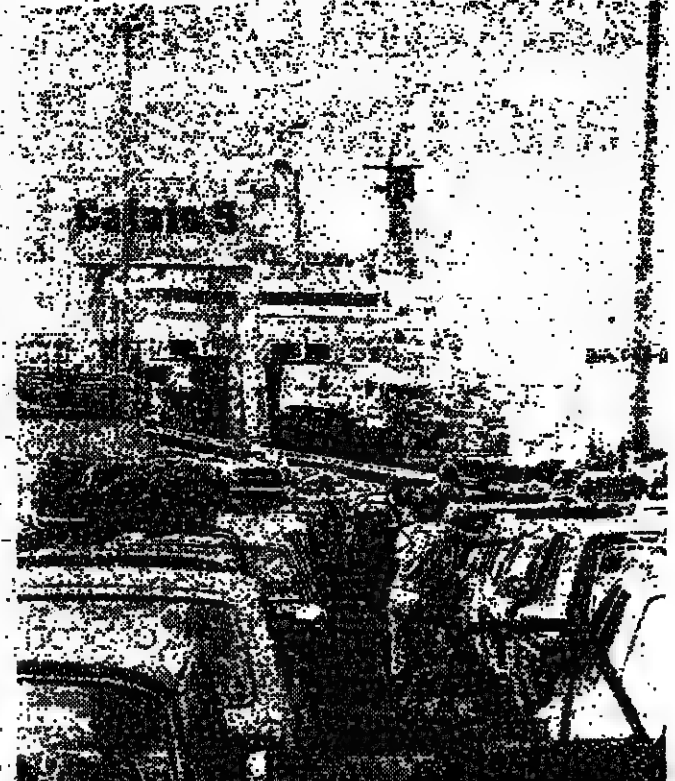
However, it is worth noting that two private enterprise operators not directly involved in the Dover Straits — the Bell Lines short-sea container group and Unilever's Norfolk Line, had no such fears.

Bell Line, whose maverick chairman Mr George Holloway often takes an independent line on issues, thought a strong integrated commercial competitor was preferable on balance to a nationalized operator owned by a heavily subsidized railway administration.

Norfolk Line put its finger on the spot by suggesting that the central issue was restriction of competition through control of ports by ferry operators (something both Sealink and EF are found guilty of). Given safeguards against that, there was no objection to the merger.

But that is water under the bridge now. The question is, what happens next?

Sealink's performance has been pretty poor in both traffic and financial terms. Though still, with its partners, the biggest overall ferry operator in the world, its share has dropped from 34 per cent to 27 per cent since the pooling operation broke down in 1979 and the competition got fierce. Its profit (loss) before interest for 1979-1980 was (£2.2m), £5.5m, £9.2m.



Britain-bound motorists prepare to board the Townsend-Thorpston (part of European Ferries) cross-Channel ferry Pride of Free Enterprise at Calais; Sealink would have been ruthlessly pruned if merger had taken place.

£9.7m, £2.6m on a turnover that rose from £89m to £196m in the period. EF's figures were £14.5m, £13.6m, £22.4m, £20.4m, £14m on a turnover that rose from £84m to £164m over the period.

Not all of this is Sealink's fault. It has been starved of investment for years by a cash-short parent that needed all the money it could get for its own railway timetable. The railway interest in a Channel Tunnel also held up ship replacement for many years — BR did not want to compete with itself. And Sealink has been pressured into building British most recently to prop up Ulster's shaky economy, at great cost to itself in delayed delivery.

Its new ships for the Channel took far longer to build than EF's European-built vessels and are not as slick. But now that the traumatic EF bid is out of the way, Sealink is ready to set out a new positive course.

"We're all wearing funny hats and false noses," said a staff member at Sealink's Euston headquarters yesterday. "It's been getting every-

Michael Bailey

International Timber

GROUP RESULTS

for the half year to 30 September 1981

	Unaudited for the half year to 30.9.81	Audited for the year to 30.9.81
External Sales	98,613	99,023
Profit for the Period	2,640	4,053
Interest	1,080	2,102
Profit before Taxation	1,561	1,951
Taxation	247	(7,987)
Group Profit after Taxation	1,314	1,953
Interim Dividend	576	576
Amount per Ordinary Share	2.0p	2.0p
Earnings per Ordinary Share	4.5p	6.8p

*Adopted Corporation Tax written off.

The Chairman, Mr. Ronald Groves, comments:

"In this period of continuing recession sales increased slightly over the second half of last year and despite intense pressure on margins a trading surplus has been achieved. Drastic action to reduce costs in this and earlier periods has been an important factor in the improved result."

The profit now reported of £1,541,000 before tax, whilst well below normally acceptable levels, is considered satisfactory in present circumstances. No material improvement in trading conditions is anticipated during the second half year and, if winter conditions are not unduly harsh, by continued strict control of working capital and costs we expect to repeat the performance of the first half."

The Directors have decided to repeat last year's interim dividend of 2.0p per Ordinary Share. It will be paid on 29 January 1982 to Shareholders on the register on 7 January 1982.

INTERNATIONAL TIMBER PLC
Carpenters Road, Stratford, London E15 2DY

The Scottish Metropolitan Property PLC

"Continuing Growth in Revenue and Assets"

Main points from the Report for the year ended 15th August, 1981, and the Statement by the Chairman, Mr. David Walton, S.B.S.L.

- * 35.4% rise in Group Revenue before taxation to £4,138,388 (£3,069,455).
- * Dividend payment for year on enlarged share capital at 1.2p net per share amounted to £1,994,942 (£1,287,094).
- * Property Valuation at 15th August, 1981, increased Property Assets to £32,582,870. Surplus of £24.7 million credited to Reserves.
- * Capitalisation issue of 1 share for every 8 shares.
- * Subject to no unforeseen circumstances the Directors forecast a total dividend for year to 15th August, 1982, of at least 3.25p per share on the Issued Share Capital as increased by the 1 for 8 Capitalisation Issue and Conversions.

Stock Exchange House,
69 St. George's Place, Glasgow G2 1RE.

Nina Carter, one of the first of the page three girls, later made it into high fashion and became one of the handful of models to be seen in an eight page feature in *Vogue* magazine with David Bailey taking the pictures.

Mrs Carter retired from modelling at 30 two years ago and yesterday reappeared as a businesswoman, the coordinator for a new calendar from the family-run Howitt Printing Group of Nottingham.

Carter, one of the first of the Manikins cigar advertisement girls, is not only organising her up and coming sisters for calendars but is also developing a range of cosmetics based on natural ingredients.

"I like it the other side of the camera," she said yesterday. "But you can't just recruit the girls in the topless end of the business. It's better to have high fashion models who have that extra sophistication but who are willing to drop a strap." Howitts is running off a limited edition of 2,000 copies of the calendar mainly as a promotional give-away to possible clients to celebrate their first year in the £7m annual sales bespoke calendar market. In these hard times it is the one sector of the calendar market which seems to be growing.



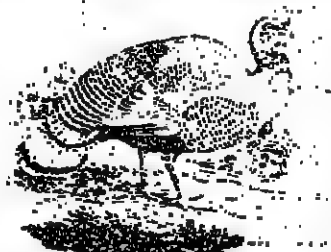
Spot the pin-ups: Patrick Howitt, chairman of calendar publishers Howitts, in London yesterday with Nina Carter (right) and model Janet Conway.

Bespoke calendars are these produced as a one-off for a company, a genre first made famous by Pirelli. But girls' calendars are by no means the staple product in bespoke calendars, according to Patrick Howitt, 37-year-old chairman of Howitts, which reckons that 85 per cent of all calendars are printed in the East Midlands area centred on Nottingham. Howitts, hitherto a colour printer of items like brochures, has already sold

put together under Nina Carter's direction is, in Howitt's description, a sophisticated calendar, slightly tongue in cheek. All the photographs — by Japan's Naruhito Inui, better known as Naru — were taken within 35 miles of Nottingham just to show expensive trips abroad are not strictly necessary.

Tacchinograph I do not recall often seeing turkey (tacchino) on restaurant menus on my visits to Italy, but according to Sue Richardson, of the University of Manchester, a student of the world turkey industry, Italians eat and rear more turkeys than any other country in Europe.

In twelve years, according to her new study, average annual consumption has increased more than 500 per cent to 3.93 kilograms, nearly twice as much as we eat in Britain. Instead of being roasted as a Christmas treat, it is bought all the year round, mainly in small cuts. Partly because it is cheap and partly because of the recent health scare over hormone-treated calves, it has become a popular substitute for veal. According to Mrs Richardson, turkey is a frequent ingredient of dishes such as



scalloppe Millaresse, saltimbocca, costoletta Eolagnese and vitello tonnato, which in this country would, I suppose, offend the Trade Descriptions Act. It is not always so commonplace. When first introduced from the New World, the turkey was regarded as a great luxury, a suitable gift for princes and noblemen. What is thought to be the first book containing recipes for cooking turkey was printed in Italy by Bartolomeo Scappi in 1570.

The Italian Turkey Industry, by Sue Richardson, published by the Department of Agricultural Economics, University of Manchester (£3).

Banknotes

What have The Jam, Rockwell Eric and David Somerset, Chief Cashier of the Bank of England, in common? No —

The proposed merger of Standard Chartered Bank Limited and The Royal Bank of Scotland Group Limited.

A great deal of comment has been generated on the subject of the agreed merger between Standard Chartered Bank and The Royal Bank of Scotland Group and the bid by the Hong Kong & Shanghai Banking Corporation. Most recently The Royal Bank of Scotland Group has issued a detailed statement of their views. Standard Chartered Bank fully supports the arguments put forward by The Royal Bank of Scotland Group on the merits of the merger between the two Groups.

Standard Chartered's own reasons for seeking the merger which accord with those of The Royal Bank of Scotland Group were contained in its original offer document published on the 29th April, 1981. Standard Chartered Bank remains convinced that the objectives it seeks in proposing to merge with The Royal Bank of Scotland Group would produce a new banking organisation on a par with the major Clearing Banks in the United Kingdom and add significantly to competition.

It is Standard Chartered's view that a merger of the two Groups would considerably strengthen the direct involvement of the British banking system in international business and also be of great benefit to the United Kingdom economy.



Head Office: 10, Clements Lane, London EC4N 7AB. Assets exceed £15,000 million. More than 1,500 offices in 60 countries.

Borthwick avoids US risks and slashes loss

By Our Financial Staff

Thomas Borthwick & Sons, the international meat trader, is continuing to improve after the heavy losses of 1979-80. For the full year to last September, the group made a pre-tax loss of £1.6m following a loss of £1.9m in the first six months of the year, compared with a deficit of £10.5m in the whole of 1979-80.

The heavy trading losses of the previous year were eliminated by the group not taking positions in the American meat market when prices went against it. At the same time interest rates were high.

In the 12 months just ended, Borthwick benefited from having a lower stock position, a fall in working capital, and a drop in borrowings. The net effect reflected a reluctance to take a high degree of risk in the market.

The group also sold off two substantial loss-makers: Fresh-bake Foods and Freezer Food, which up to the point of disposal made losses of £28,000 and £166,000 respectively. Other operations disposed of during the year were making small profits, and the overall loss for those activities no longer part of Borthwick's came to £225,000.



Mr. Richard Wheeler-Bennett, chairman of Thomas Borthwick & Sons.

The group has sorted out its borrowing position with its bankers. A statement said: "The board is satisfied that the facilities negotiated will continue to be available and are adequate for the ensuing year. In addition, certain loan facilities for Borthwick-CWS were arranged on a medium-term basis."

The policy of reducing working capital has been pursued and net borrowing has dropped by £13m to £71m by the year end. Finance charges have correspondingly been reduced for the year by £2m to £12.1m. Over the last two years, borrowings have been reduced by nearly £25m or 20 per cent.

Mr. Richard Wheeler-Bennett, chairman, pointed out that the appointment of Mr. Dennis Carey as group chief executive was a key part of the extensive reorganisation of management during the year, and the review of strategy which is currently under way.

Inchcape subsidiary sells Malay motor plant

By Drew Johnston

Increasing nationalist pressure in the Far East has forced the Singapore-based subsidiary of international trading group Inchcape to sell off its Malaysian motor assembly plant.

Inchcape Sehad, which is 60 per cent owned by Inchcape in the United Kingdom, has parted with half its Malaysian business to Sejahtera Motor, a subsidiary of United Motor Works (Malaysia) for £31m.

Part of the reason given for the disposal of the Toyota, whose products are assembled by Inchcape, is operated by nationals of the country concerned.

But Malaysia's economic policy of "bump-up" - giving incentives to foreign investment - has placed pressure on Inchcape to sell.

Inchcape now intends to use the £31m gain on the sale to develop the remaining 40 per cent of its interests in the country, which consists mainly of property.

A spokesman for the company said yesterday that it would now introduce the "bump-up" policy in the balance of its operation. But pressures from the radical wing of the ruling political party, the Malay United Front, may soon legislate for a minimum native Malay involvement of 51 per cent.

Asian analysts believe there is a strong possibility that legislation of this kind may be passed and say they find this worrying.

The sale does not, however, affect Inchcape's other interests in the region and has not so far led to changes in the company's relationship with Toyota in Singapore and Brunei.

Hanson scents a win in fight for Berec

By Philip Robinson

Sir James Hanson seemed confident last night that his Hanson Trust's new 153p share cash offer for Ever Ready battery group, Berec, would get board approval.

After nearly three months of publicly criticising the Berec board's performance record - he has described it as "abysmal" - Sir James posted his new offer document to shareholders and said: "The Berec board has not had time to consider their reaction following the friendly meeting I had last Friday with the chairman Mr. Seaton. We hope they will now recommend the offer to their shareholders."

Critics' suggestions last night indicated that Sir James has now put the Berec board on the spot. It has already recommended an offer which is courted from Thomas Tilling, which at last night's price of 144p is worth £95m. Tilling is offering a one-for-one share swap. Now it must decide whether to support the white knight or change sides and go along with one of its most ardent critics, Sir James, unless Tilling can be persuaded to pay more.

At present, Berec is saving nothing but recommending shareholders to take no action while it makes up its mind. Tilling well know tomorrow just how many shareholders have accepted its offer.

A spokesman for Berec's advisers, merchant bankers S. G. Warburg, said last night: "There has been contact between us and Thomas Tilling. They have asked one or two questions."

It is unlikely that the Berec board will give any further advice until Tilling has disclosed its acceptance level.

Sir James - not acknowledged as paying generous sums for acquisitions - appears anxious that his near-100m bid for Berec should go through.

He now speaks for 21.5 per cent of the group, the bulk of which was bought in a £5m dawn raid earlier this year, but was topped up when he increased his initial 10p offer.

It is understood that one of the anxieties of the Berec board is that would be their roles in the running of the company, if Hanson took over.

Philips' Lamps expects little change in profit

not unsatisfactory in the light of the adverse economic situation.

The company further announced that its general shareholders' meeting had appointed Dr. W. Deleers, president of Philips, as president of the company and board chairman as from January 1, 1982. He will succeed Dr. Rodenburg, who will retire on December 31, 1981.

Ward & Goldstone, the maker of electrical accessories and cables is benefiting from a big saving in interest charges; and, since the end of the six months to last September business has picked up modestly. But in the six months turnover actually fell from £39.8m to £36.8m, while operating profits slipped £63,000 to £2,04m. Only a £67,000 drop to £547,000 in interest payable left pre-tax profits £610,000 up at £1.39m, hoisting earnings a share from 5.13p to 5.18p against 12.45p for last year as a whole. The interim dividend edged forward from 1.25p gross to 1.43p. Last year the final dividend was 6.43p.

The group reports that all divisions, save the one serving cars, are working full time. Capital spending is still high, but the cut in bank borrowings should be sustained. A new factory should start running next January, and another is being commissioned.

Ward has shed one third of its workforce in two years, cut back the automotive division, and lowered production costs. It has also launched new lines. The shares rested at 112p yesterday; they have already come up from 63p this year partly on bid possibilities.

City Offices in Greycoat talks

Less than three weeks after the directors of City Offices rejected a £12m bid from the smaller but fast growing Greycoat Estates worth 170p a share, the directors, headed by Mr. Geoffrey North, now say talks with Greycoat are going on.

City Offices has commissioned a revaluation of properties that should be finished soon. The board and S. G. Warburg, its advisers, urge all shareholders to do nothing.

Driefontein Consolidated will pay an interim dividend of 100 cents. This is not comparable with any previous period since the company was formed this year. At least one Johannesburg stockbroker expected a payment of 120 cents.

Kloof's interim dividend has been reduced to 120 cents, from 160 cents last year. Venterspost's payment has been cut from 100 cents to 35 cents. Libanon's is down from 130 cents to 80 cents and Doornfontein's from 135 cents to 80 cents.

East Rand Proprietary Mines, administered by Rand Mines, said earlier that it was passing its final dividend, giving a total for 1981 of 50 cents, against last year's 370 cents.

Inco gets out of batteries

Inco yesterday approved a plan to withdraw from the battery and related products businesses of its wholly-owned subsidiary, Inco Electro Energy Corporation. This will result in a charge against fourth quarter 1981 results, and valuation studies have started to determine the amount of the writedown.

The company stated that the decision was taken to concentrate its financial and management resources on its natural resource and alloy products businesses in accordance with the company's basic long-term strategy.

This decision to withdraw from the battery business, and the company's previously announced action to mothball its Guatemala facilities, are expected to contribute significantly to its financial strength. It is intended that this will occur through use of proceeds from divestitures to reduce debt and, in the longer term, through direction of Inco's financial resources to its more attractive natural resource and alloy products businesses.

He would not comment directly on dividend payment for 1981, but did a press conference in Düsseldorf that a cut in the level paid for 1980 has not been discussed within the bank. Deutsche Bank made a ten Deutsche mark dividend on 1980, results, which showed a consolidated group net profit of DM457.17m and parent bank net profit of DM343m.

Chiff Oil says that its American subsidiary Chiff Oil Incorporated, has taken part in an oil discovery in Texas at Floyd Craig No. 1, Blackwell Prospect, Nolan County.

The well flowed oil on an eight-hour test at the rate of 156 barrels of oil per day on a 16/64 inch choke. Chiff Oil's interest in this discovery is 10 per cent.

Eurodollar fall. Eurodollar bond prices declined by a further 0.50-0.75 points in slow trading yesterday morning. A dealer said the quantity of issues on offer was choking the limited demand. "Investors are being very selective and they can pick the levels at which they want to buy," he commented. And a trader suggested that a little short-covering was pushing the occasional issue back up about 0.25 point.

Deutsche Bank's earnings

Herr F. Wilhelm Christians, joint management spokesman of Deutsche Bank AG, said yesterday that full 1981 earnings will be satisfactory and may show an increase on 1980, but the complete picture remains unclear because of the need to make substantial provisions against risks.

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Trafalgar House pleases with £55m

By Paul Maidment

Trafalgar House's 12 per cent increase in pre-tax profits to £55m for the year to September 30 was much in line with market expectations and the share price edged up by 3p to 101 1/2p. The property side's contribution to group profits dipped to £23.7m from £24.5m, reflecting a number of completions.

The contracting and civil engineering side boosted its contribution to a healthy £31.9m, against £23.6m the previous year, although that included losses on four road contracts. A dismal first half, the shipping, aviation and hotels division ended up contributing £10.4m, against £17.3m with the shipping side selling off four loss-making freight carriers.

However, popular attention will focus on the group's newspaper and magazine interests, the Express group of newspapers and the Morgan-Granipian trade journals. After making £6.1m at the half-way stage these contributed only £5.8m to the full year's figures, against £4.2m previously.

Trafalgar House did not break down this division but seems that Morgan-Granipian improved a little, despite the recession hitting advertising, particularly of jobs, and that the Sunday Express did a little better overall and the Daily Star a little less worse.

Real ale brewer up 13pc to £10m

Against the apparent trend in the brewing industry, Wolverhampton and Dudley Breweries, which trades as Bank & Hansons in the West Midlands, has recorded a 16 per cent increase in sales and a 13 per cent increase in pre-tax profits to £10.2m.

Turnover for the year to September 30 was £73.54m. Mr Robert Houle, the finance director, said yesterday that the company, which produces only real ale, held its sales volume despite the extent of unemployment and short-term working in the region. A rise in prices to bring them into line with the competition about a year ago was a factor. But we would not have raised prices unless we had to," he said.

After a first-half loss, John Williams of Cardiff was still in the red in the second six months of the year to September 30 last, with the year's result being a pre-tax deficit of £1.26m, compared with pre-tax profit of £666,000 in the preceding year.

Turnover shrank from £25.18m to £19.61m. The final dividend, gross, is being cut from 2.5p to 0.71p a share, reducing the total from 4.07p to 1.42p.

Failure to break into the highly-competitive mail order business has forced Birmingham-based Alpine Soft Drinks to concentrate on new products within the soft drinks market. But by doing so the company has improved trading performance by 13 per cent for the half year to September 26, with pre-tax profits up to £1.29m from £1.14m. Turnover also rose from £8.5m to £9.6m despite what the company describes as adverse conditions such as high levels of unemployment, in many of its traditional market areas.

A half-year dividend of 1.72p (gross) has been declared.

On sales up from £97.47m to £117.77m, NSS Newsagents' pre-tax profits expanded from £4.38m to £4.92m in the year to September 27, 1981. Diluted earnings per ordinary share rose from 16.7p to 16.9p and the total gross dividend is being boosted from 4.85p to 5.35p.

In the first eight weeks of the current year, a further seven retail shops have been acquired or opened. Group sales are up by 22 per cent over the similar period of last year.

A recovery is under way at Marling Industries, makers of industrial textiles, which saw its results fall heavily in 1980-81. For the half-year to September 30, 1981, compared with a pre-tax loss of £17,000 in the similar period of the preceding year, turnover was up from £12.68m to £15.59m. The interim payment, gross, is being raised from 4.64p to 5.71p a share.

After losing £2.26m before tax in the year to last June, Stothert & Pitt, in contractors' plant, cranes and general engineering, expects to return to "modest" profits by the end of this financial year. Mr Ralph Beaman, chairman, also tells shareholders that the sale of surplus assets will lead to a cut in borrowings.

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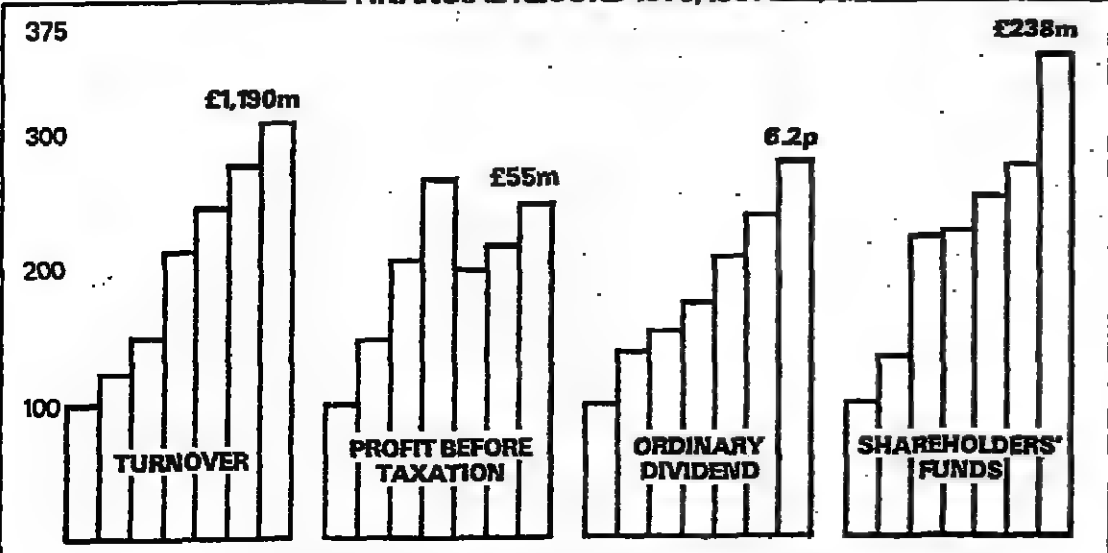
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Trafalgar House Limited

GROUP PROFIT YEAR ENDED 30th SEPTEMBER 1981

Year ended 30/9/80		£000's	£000's
24,539	Property and investment activities	23,725	
23,550	Contracting and housebuilding	31,949	
17,272	Shipping, aviation and hotels	10,437	
4,191	Newspapers and magazines	6,827	
69,552		72,938	
20,479	Interest	17,934	
49,073	NET PROFIT BEFORE TAXATION	55,004	
30,872	NET PROFIT AFTER TAXATION	49,126	
12.7p	Earnings per Ordinary Share	20.4p	
5.35p	Ordinary dividend (Interim 3.0p, Proposed Final 3.2p)	6.2p	

FINANCIAL RECORD 1975/1981



The 1981 Report and Accounts will be posted to Shareholders on 22nd December 1981; copies may be obtained from the Secretary, 1 Berkeley Street, London W1X 6NN

خدمات الأعمال

FINANCIAL NEWS

Elliott Group gets back in the black

By Philip Robinson

Elliott Group of Peterborough, which is fighting a takeover bid from loss-making Jenks & Cartell, is back in the black and has started paying a half-time dividend.

Pre-tax profits for the half year to the end of September, were £144,000 against a loss last time of £188,000. Turnover of the portable buildings, furniture and dairy group fell from £9.6m to £8m.

The group is paying a 0.74p dividend, double that it paid for all of last year and says that trading continues to show a recovery.

But the shares hardly moved on the news. At 42p they are still some way below the Jenks' one-for-one offer which at last night's closing price of 58p values Elliott at 7.5m. There is a 39p share cash alternative.

Business appointments

Barclays Bank names a new general manager

Mr Gordon Adam will be taking up a new general manager post in Barclays Bank on March 1, with responsibility for finance and planning. He will remain a director of Barclays Bank UK and Barclays Bank Trust Company. Mr Robin Hoyer Miller, a regional general manager of Barclays Bank UK, will succeed Mr Adam as executive deputy chairman of Barclays Bank Trust Company. Mr Hoyer Miller will also become a director of the Trust Company, on January 1.

Mr Michael Jones, formerly insurance manager of British Aerospace (Airframe Group) has been made a divisional director of the Aviation Division.

Mr D. A. Beery has become an executive director of Devit (Aviation), part of the Devit Group.

Mr W. J. Hall will be joining the board of J. W. Spear & Sons as financial director on January 1 and Mr N. J. Stope will become company secretary in succession to Mr J. W. B. Estall.

Mr J. D. Spink has been named deputy chairman of both John Swire & Sons (H.K.) and Swire Pacific.

Mr J. C. Barclay, chairman of Cater Allen Holdings has been made a director of Allen Harvey & Ross Investment Management and a director of Allen Harvey & Ross Unit Trust Managers.

Mr J. M. Menzies and Mr C. M. Beddow are now directors of Gordon & Gotch Holdings.

Ms Carol Trevellick has become administration director for Eagle International.

The Honourable Alexander Gordon Catto, Mr Lee Oi Hian and Mr Alister P. McLeish have gone on the board of Vale Catto & Co. Sir Campbell Adamson will retire from the company, on December 31.

Mr M. D. Williams has been appointed by Telephone Rentals as general manager of its new wholly-owned subsidiary company, TR Time Services.

67 pc rise in pretax profits for C & W

By Drew Johnston

Cable & Wireless, whose shares got off to a spectacular start when they were floated on the stock exchange in October, has realised a 67 per cent increase in pretax profits. Mr Eric Sharp, chairman, announced yesterday. They rose from £27.2m to £45.6m in the half year to September 30 with turnover also up from £126.8m to £178.3m. The result, the chairman said, of improved margins on increased volumes of business.

This increase was the result of greater traffic on the company's share of Bahrain and Hongkong telephone communications cables, largely because of greater worldwide introduction of subscriber trunk dialling systems.

Other significant factors in the vastly improved performance were the investment interest received from sale of assets overseas and beneficial currency movements.

All Cable & Wireless's business is conducted overseas and the company has previously suffered from the adverse movements in sterling up until this year.

Barring unforeseen circumstances, the company expects that pretax profit for the year will at least equal the £84m profit forecast in the offer for sale document.

IC Gas climbs 17pc

Margareta Pagano

Imperial Continental Gas has managed a 17 per cent increase in pretax profits to £1.1m, but stresses as always that half-time figures give no indication of the year's trend.

On top of the seasonal nature of its power and fuel interests, the results from UNERG, its utility business, and dividend income from Petrofina and Intercom, does not come through until the more buoyant second half.

In the six months to September, there is a £2.2m increase at the pretax level excluding last time's £2.9m exceptional profit from the sale of property and lower interest charges from the Maureen oil field.

But, at the trading level, profits have slipped to £13m against £13.6m and were further reduced by higher depreciation costs of £10m against £9.7m. Turnover rose by £2.9m to £172m.

Mr Fred Zollinger, chairman, however, believes there are enough signs to face the full year with confidence. Last year the group made pretax profits of £33.2m, a fall of 13 per cent.

Calor Gas, the country's largest liquid petroleum gas supplier, improved trading profits by £2.4m despite a decline in gas tonnage and appliance sales.

There are no marked increases in new sales showing in present trading, but the group believes there are further benefits to come from higher margins and cost savings from last year's reorganization.

CompAir was able to break even in the period, with trading profit virtually unchanged at £8m. Higher sales overseas offset a 21 per cent drop in the UK market, but the division is expected to make better contributions in the second half.

A downturn in trading by the group's oil interests in the North Sea and its Belgian companies has been offset by the increases in both Calor and CompAir.

The group's shares rose 2p to 188p, helped by the lift in the half-time dividend from 3.8p to 5.5p.

Indonesia buys 17pc of LOF

By Peter Wainwright

Mr Fayzol Hashim, an Indonesian businessman, has emerged as the holder of 17.23 per cent of London & Overseas Freighters, the bulk carrier and tanker operator largely in the spot market.

Under Takeover Panel rules, the buyer can now proceed to accumulate in the market a further 4.9 per cent week by week until it gets to 30 per cent, when a full bid becomes mandatory.

Linfood counts cost of bid battle

By Philip Robinson

Fighting off Mr James Gulliver's £91m takeover bid has cost the supermarket cash-and-carry food group, Linfood Holdings £38,000.

The figure virtually halves the percentage increase in profits for shareholders and after lifting the half-time dividend by 42.8 per cent to 7.1428p, gross the earnings carried to reserves dropped from £2.15m to £1.7m.

Above the line, pretax profits rose more than a fifth to £5.5m on a turnover up 11m to £548m. The results were forecast in the group's defence document against the Argyl Foods takeover and the shares closed unchanged at 157p after touching 159p at one stage.

Linfood chairman, Mr Alec Monk, says that cash-and-carry sales increased slightly. The increase in profits stemmed principally from an general improvement and a strong performance from the Dee Discount Stores.

With the results, the group has announced new board appointments. The most significant is Mr Kevin O'Keefe, currently company secretary and secretary to the executive committee of Booker McConnell. He is joined by Professor C. Stapleton, professor of Finance and Dean of Manchester Business School and Mr B. Baker currently marketing director of Glaxo in the UK.

Matthew Brown's £5m cash call

By Paul Maidment

North-western brewer Matthew Brown announced yesterday that it had pumped up its full-year profits by 25 per cent, and, along with a warning about the need to increase its share of a shrinking beer market, said it was making a £4.65m rights issue to help fund expansion.

Pretax profits for the 53 weeks to October 3 were £5.04m, against £4.05m the previous year, on sales 20.75 per cent higher at £30.9m. Stripping out £522,000 for profits on the sale of properties and investments, against £72,000 a year earlier, profits were 13.7 per cent higher.

Mr Patrick Townsend, the chairman, said the volume of the company's beer sales, on which it is heavily dependent, had fallen by 2.5 per cent. Nationally, beer sales have reduced by twice as much, which encourages him to think that Matthew Hall is increasing its market share.

With no visible sign of an upturn in the economy to boost drinkers' spending power, Mr Townsend says the company's performance depends on its ability to improve its market share. During the past year, it added four tied public houses outside its traditional distribution areas in Lancashire and Cumbria, and says it is actively looking for more such acquisitions.

Mr Townsend said that the rights issue, which will be on the basis of one-for-five at 142p, would in part fund this expansion and in part fund existing commitments for the further modernization of the company's breweries, particularly in Blackburn.

Matthew Brown is raising its final dividend to 7.1428p gross, making 9.071p for the year, against 8.121p a year earlier. The shares fell 8p to 166p.

For the financial year to September 30, 1981, the pre-tax profit of Hanson Trust increased by 27% to a record breaking £49.7m (£39.1m).

Earnings per share were up 34% from 23.2p to 31.2p and assets per share also rose 34% from 112p to 151p.

These figures mark the company's 18th successive year of rising profit and earnings per share and, together with a final dividend up 21% at 5.75p (4.75p), a one for one scrip issue is also proposed.

Market capitalisation now exceeds £300m and Hanson Trust is firmly



HOW TO GET FIRST CLASS RESULTS FROM HANSON TRUST.

established in the top 70 UK quoted companies. A strong balance sheet and cash resources exceeding £175m certainly augur well for the future.

If you would like to know the facts behind these figures, simply complete and return the coupon for your copy of the 1981 Annual Report.

Please send me a copy of your Annual Report for the year ending September 30, 1981.

NAME: _____

ADDRESS: _____

To: Hanson Trust, FREEPOST, 180 Brompton Road, London SW3 1BR (No stamp required), or telephone (01) 589 7070.

Hanson Trust
The industrial management company where people are as valued as money.

ICGas Imperial Continental Gas Association Interim Results

The Directors have declared an interim dividend for the year ending 31st March 1982 of 3p per £1 stock unit, payable on 12th February 1982 to stockholders on the register at the close of business on 8th January 1982. An interim dividend of 2.7p was paid in 1981 followed by a final dividend of 5.3p. The following unaudited results are announced for the half year ended 30th September 1981.

(All figures in £000's)	Half year to 30.9.81	Half year to 30.9.80	Year to 31.3.81 (audited)
Turnover	172,133	169,141	402,964
Trading profit	13,085	13,643	48,472
Depreciation	(10,103)	(9,739)	(18,671)
	2,982	3,904	29,801
Income from allied companies			5,541
Share of profits of associated companies	3,444	3,621	11,395
Income from general investments	485	428	821
Interest (net)	(5,787)	(7,017)	(14,946)
Profit before taxation	1,104	938	33,212
Taxation	(995)	(921)	(6,188)
Profit after taxation	109	15	27,024
Minority interests	75	14	7
Extraordinary item			(3,028)
Profit attributable to IC Gas	184	29	24,003

Profit In the comparable period last year, pre-tax profit included £2.9m arising from the renegotiation of a Calor property lease and £0.87m was charged in interest on the development of the Maureen oil field. This year there is no exceptional profit and the corresponding Maureen charge has been capitalised in line with the provisions of the Finance Act 1981. Excluding these two items, the current half year's profit before tax shows an improvement of £2.2m.

Results The Directors emphasise that figures for the half year provide little guidance concerning the outcome of the year. In addition to the seasonal nature of most of the Group's activities, the results of UNERG, through which a major part of the utility interests of the Group is held, are excluded. Furthermore no dividend income from Petrofina and Intercom is included in the first half year.

Calor Group Excluding last year's exceptional gain on the property lease, trading profit improved by £2.4m despite a reduction in gas tonnage and appliance sales. Operating costs were lower as a result of reorganisation last year. Capital expenditure was substantially reduced.

CompAir Group Trading profit at £8.04m was virtually the same as the corresponding 1980 figure on turnover up by 1.9%. Higher sales by overseas companies offset a 21% drop in the UK because of the recession. Margins were restored generally to the levels of the first half of last year. There are signs that the UK market is no longer diminishing, trade continues buoyant in a number of overseas markets.

Oil Operations Sales of gas and liquids from the Hewett field by Century Power and Light were £0.35m lower, reducing trading profit by £0.36m. In UK and Irish waters drilling has continued and the Maureen development is proceeding according to plan. Onshore investment opportunities in North America continue to be pursued and exploration drilling has commenced in Kansas and Oklahoma.

Belgium Direct trading profits increased to £0.42m despite a reduced turnover mainly as a result of variations in the Belgian Franc/Sterling exchange rate. These variations also accounted entirely for the reduction in contribution from associated companies.

Interest Net interest payable was 17.5% lower due to the changed accounting procedure for Maureen development costs and reduced working capital requirements within Calor and CompAir. Interest of £1.9m has been capitalised in respect of Maureen expenditure.

Copies of the full interim statement can be obtained from Hill Samuel Registrars Ltd., 8 Greenock Place, London SW1P 1PL.

A holding company in the fuel and power industries

BELL'S
SCOTCH WHISKY
BELL'S

Stock Exchange Prices

Equities tumble

ACCOUNT DAYS: Dealings Began, Dec 7. Dealings End, Dec 22. § Contango Day, Dec 23. Settlement Day, Jan 4.
§ Forward bargains are permitted on two previous days

BELL'S
SCOTCH WHISKY
BELL'S

[illegible]

Unflappable Seagulls push high flyers off their perch

Cashing in on an absent bank manager

an absent bank manager

A forgotten man in a memorable role

Cambridge reach their snowy peak

St. Leonard Hall, 110 E. 11th St.,
New York, N. Y. J. M. Webster, (Manager)
O'Neill, A. H. Hobart, (Manager)
New York and Boston, N. Y. J. M. Webster,
Henry VIII, Coventry, 100 E. 11th St.,
New York, N. Y. J. M. Webster, (Manager)
Burlington, C. T. J. M. Webster, (Manager)
Terry of Cambridge and J. M. Webster,
T. Roberts, (Manager) and J. M. Webster,
New York, N. Y. J. M. Webster, (Manager)
New York, N. Y. J. M. Webster, (Manager)

Oxford to forget the blues

get the blues

Stevenson halts Watford

meet a through pass from Pritchett and shoot past Alan Stevenson. But the Burnley goalkeeper was outstanding for the rest of the game.

Newport Co 8 Grimsby Town 2

Grimsby Town lost no time in dominating their quarter final. After three minutes their centre forward Kevin Driskell sent a header just wide and five minutes later his fellow striker, Gary Beacock, scored a superb goal, chipping the ball over the head

s Watford

Group Cup			
Quarter-final round			
Grimsby	(1) 2	Wetherford	(0) 1
Scot		Silcock	
Newport	(0) 0	Graham	(1) 2
2.206		Barnack	
First division		Drakell	

Time has come for Wallabies to play Mark Ella

There is no grand slam prospect now, so they might, as well take a chance with Ellis on a bit of the same principle as Murrayfield and Twickenham. Ellis is capable of making the midfield play look a lot more exciting. In the conditions here, he can also be made to look erratic under pressure. Will the Wallabies take an exciting risk?

In the meantime, McLean has been switched to full back for the

few changes between their Wednesday and Saturday teams. They are wise to pick a useful combination against a Lancashire XI which sees this contest as being the first leg of what could be a notable double in their centenary season. The second will be the final of the county championship.

Nine Lancastrians who represented the North of England against the touring side, are now reinforced by John Carleton, who

LANCASHIRE: K. O'Brien (Preston), J. Cartledge (Dorset), A. Wright (Sale), J. Williams (Dorset), S. J. Smith (Sale), D. Larn (Fylde), M. Dixon (Fylde), D. Southen (Dorset), M. East (Dorset), J. Syddall (Waterloo), R. Stevenson (Sale), K. Moss (Liverpool).

AUSTRALIANS: P. E. McLean (Preston), A. G. Slack, M. J. Cook, S. J. Moon, J. J. Matthews (Dorset), J. Walker, D. Curran, A. J. Shaw (captain), M. J. Mathers, S. A. Williams, G. Roche, M. E. Leane.

Skiing



Gaspoz springs a second surprise

th, despite starting 25th in the
st run.
Alexander Zhigrov of the Soviet
Union, among Mahre's top chal-
lengers for the overall champion-
ship, lagged behind in ninth
place.
Austrian's Andreas Wenzel
and the Austrian downhill special-
ist, Leonard Stock, took 11th and
12th place.

RESULTS: 1. J. Gaspoz, 2. Switzerland
3. J. Mahre, 4. J. K. Vetter, 5. J. K. Vetter
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Scottish: snow reports. Car-
nations: Only one main run com-
plete. al lather broken. Lower
slopes: No snow. Vertical runs:
500ft. Access roads: Slight snow.
Snow level: 600ft. Glen Shee and
Glencoe: Insufficient snow.
Lecht: A few main runs com-
plete but narrow, others broken.
New snow on a firm base. Lower
slopes: Limited nursery areas.
New snow Vertical runs: 500ft.
Access roads: Slight snow. Snow

quash rackets

Briars and Kenyon achieve a predictable meeting

could have repeated that remarkable feat. Briars was Barrington's predecessor as champion and the record indicates that he will start favourite tomorrow. But Kenyon occasionally beats him, both are playing well, and there is every prospect of a tough final.

In the semi-final round, Briars took 61 minutes to beat Peter Brown, 3-9, 3-6, 3-9, 9-2 and Kenyon had a 9-2, 10-8, 9-3 win over Ian Robinson in 43

Verov, for that matter, was
 erow particularly gracious in
 s chess on-court exercises in
 ychological warfare against the
 ore unimproved Briars. It was
 verably amusing when Verov,
 iving saved a game ball in the
 cond game with a superb back-
 nd volley into the cross-court
 ck, posed the interesting ques-
 ion: "turning point?" But it
 s intolerably provocative when
 verbally rubbed in the fact
 at the top seed was prone to
 take unexpected errors on the
 rebound.

Hockey

Bucks drawn at home to Worcestershire

Buckinghamshire, last year's runners-up, will meet Worcestershire, the Midlands champions in the preliminary round. Buckinghamshire draw most of their players from Slough but will not be able to call on Steve and Ken Partridge, who will be playing for Worcestershire.

Rugby League

Leeds ask world record fee for scrum half

The powerfully-built Dick, a scrum half heavier than some front row forwards, has been a Headingley for seven years. He submitted a written request stating that he felt that a change of club and a different environment would enhance his game and improve his chances of gaining further international honours.

The fee of £100,000 will frighten away all but the tiny handful of clubs with sufficient financial reserves to move into the transfer market. Leeds regard Dick as one of their key players as they strive to revive past glories, and they will not let him go easily.

Sport in brief

New ocean racing prize

Representatives of syndicates among seven countries hoping to compete for the most coveted trophy, were able to discuss martial campaign plans in a triangular telephone link up to Paris and New York from London.

The Olympic champion, Jor. Woithe spearheads East Get many's challenge for the Turu many's Swimming Cup at Barne, starting on Friday. Woithe, still snarling from September's European 100 metres freestyle defeat by Per Johansson of Sweden will try to regain top form for this 16-nation three-day competition.

Law Report December 9 1981

No share for ex-mistress

Nourkey v Lusher
Before Mr Justice Wood

[Judgment delivered December 8]
The claim of a plaintiff who was intermittently over 10 years the mistress of the deceased for a share of the estate under the provisions of the Inheritance (Provision for Family and Dependents) Act 1975 failed. His Lordship held that the deceased had exercised his financial responsibility for his mistress and had left her shortly before his death. The defendant was the deceased's widow.

Mr Douglas Day for the plaintiff, Mr M P Picard for the defendant.

MR JUSTICE WOOD said that the defendant and the plaintiff were married in 1939 and there were no children. After the deceased was debilitated in 1946 he took up with the plaintiff, a 25-year-old housewife and a childless housewife. In 1951 the defendant joined her husband in the practice and worked as a secretary, receptionist and book-keeper until his death in 1979. At first she worked full time but eventually worked only three days a week.

In 1953 the freedom of the surgery and the two flats above it became available and that was bought in the defendant's name with her own savings and her dowry. In 1957 the deceased and the defendant moved to a house in Forest Hill, London in their joint names, which remained the matrimonial home.

They had a joint bank account, one private and one for the practice. The defendant collected all the fees, which were paid mainly to her. The deceased was given the cash and the defendant received wages. Almost all the household and surgery bills were paid by the deceased. Sufficient moneys appeared in the accounts to meet outstanding bills and the defendant was content to let the handling of cash to the deceased. If she needed anything she would ask.

Their marriage was a happy and contented one. The deceased was a man beloved of all his patients. He was not endowed with strength of character and it was common ground that he hated arguments and would "run a mile to avoid a confrontation". In about 1963 the plaintiff attended the deceased for treatment and became friendly with him. From time to time thereafter he visited her home. The plaintiff was now aged 52 and was a naturalized British citizen of Israeli origin. In 1943 she married a fellow Israeli and the two sons both of whom were educated and lived in this country.

On Bank Holiday 1969 the deceased left the matrimonial home and went to live with the plaintiff. In considering tax avoidance schemes the House of Lords was entitled to ignore intermediate circular book entries and to look at the end result.

The House allowed an appeal by the Inland Revenue Commissioners against the Burmah Oil Company Ltd from the First Division of the Court of Session (Lord Emslie, Lord President, Lord Cameron and Lord Stott) which had dismissed the revenue's appeal against the Special Commissioners' finding allowing Burmah's appeal against an assessment to corporation tax of about £3m.

LORD FRASER said the appeal raised two issues. The first was one of pure construction of the statutory provisions relating to capital gains tax, or corporation tax in this case. The second raised a question with wider implications as to whether certain transactions which on the face of them resulted in an allowable capital loss should be disregarded as artificial.

The second issue was raised for the first time before their Lordships in *W. T. Ramsay Ltd v Inland Revenue Commissioners* (The Times March 13, 1981) 2 WLR 449. Burmah was at all material times the parent company of OMDR Holdings Ltd (Holdings), Manchester Oil Refinery Holdings Ltd (MORH), Burmah Oil Trading Ltd (BOTL), Burmah owned 700,000 Holdings shares in its own name and one in the name of BOTL as their nominee. Holdings' share capital of 700,000 shares was represented by a debt of that amount owed by Holdings to Burmah.

In March 1969 Burmah transferred to Holdings a large amount of BP stock. In April 1971 that stock was transferred back to Burmah.

The market price of BP had fallen and there remained at the completion of that transaction an outstanding loan due by Holdings to Burmah of £159,299,999. As the two companies were members of the same group the transaction gave rise neither to chargeable gains nor to allowable losses.

Burmah explored with counsel the possibility of obtaining for corporation tax purposes an allowable loss by transferring the amount to Holdings which in turn repaid the debt to Burmah. The money then went round in a small circle, and returned to its starting point on the same day. The effect was that instead of Burmah being a direct creditor of Holdings, MORH were interposed as creditor of Holdings and debtor of Burmah.

On December 18, Holdings made a rights issue to its existing shareholders. Burmah was allotted 700,000 shares for which it paid £159,600,000 and BOTL one share for £220. Holdings repaid to MORH the loan of £159,299,999 and MORH repaid that amount to Burmah. That

plaintiff in Sydenham, London. He left his clothes and other belongings behind and those were kept and maintained by the defendant against a possible return. The defendant called upon the plaintiff on two occasions to try to break up the relationship but failed. The plaintiff's husband also visited this country with the same purpose and was equally unsuccessful. The plaintiff took divorce proceedings and the matrimonial home was granted on March 12, 1971. Although the defendant had failed to break up the relationship she clearly felt it could not last and settled down to maintain her position against his return.

She survived the initial shock of the defendant's departure and realized that she had married "for better or for worse". She realized that if the sole source of her income, namely the practice, was to continue, any scandal should be avoided or at least minimized. So she ensured that the rents from the flats above the surgery were paid direct to her and she persuaded the deceased to increase her wages.

The practice carried on as though nothing untoward had occurred. The deceased continued to pay all outgoings on the matrimonial home and the defendant wanted anything above her food and clothing the deceased would provide. They continued to live together and went their separate ways at the end of the day. At weekends the deceased would visit the matrimonial home and do the mowing and other heavy work which his wife could not do.

The deceased lived with the plaintiff in a flat and undoubtedly contributed towards her maintenance. He is said to have encouraged her to obtain her divorce but he made every effort to avoid divorcing his own wife. The first rift in the relationship arose in 1972 over a minor incident. Thereafter the plaintiff visited France, Saudi Arabia and Kuwait and returned in about April 1973. The deceased returned to the defendant early in February 1973 and rejoined the plaintiff in August 1973.

The deceased which caused the rift in 1972 was a minor one and probabilities were that the relationship had deteriorated in about 1963. The plaintiff attended the deceased for treatment and became friendly with him. From time to time thereafter he visited her home. The plaintiff was now aged 52 and was a naturalized British citizen of Israeli origin. In 1943 she married a fellow Israeli and the two sons both of whom were educated and lived in this country.

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November 25, 1977 it was declared that in the event of a sale the proceeds should be divided between them in the proportion of 52 per cent and 38 per cent. The plaintiff and her son were not satisfied with the property and continually pressed the deceased to move into something bigger. In April 1977 and again in July 1979 the deceased asked the defendant to go on holiday with him. Those were signs that he was thinking of divorcing himself of financial responsibility for the plaintiff. During their relationship the plaintiff had discussed his possible death with the deceased and said he did not like making wills.

After his return from holiday with the defendant in July 1979 the deceased never returned to the plaintiff. He made an excuse not to see her and she had no contact with him. The deceased died on August 7, 1979 and the plaintiff heard of it through an announcement in *The Daily Telegraph*. In considering the plaintiff's claim, it was necessary to decide whether she was a person "who immediately before the death of the deceased was being maintained wholly or in part by the deceased". If so, did the statutory provisions relating to intestacy of a capital nature. While there was a general responsibility for her maintenance before July 1979, after his return from holiday with the defendant, the deceased had abandoned that responsibility.

The plaintiff was therefore not within the definition of section 1(1)(c) of the 1975 Act. It was also clear that the plaintiff would always be able to seek support from her sons. If the deceased had not entered her life the likelihood was that by now she would be looking to them for support.

Taking into account all the circumstances and the relevant matters in section 3 of the 1975 Act, the plaintiff had not shown that the disposition of the deceased's estate by the law relating to intestacy was not in accordance with his reasonable financial provision for her.

Solicitor: Wood & Sons, Bromley; Chatterton & Co, Norwood.

sum thus went round the same circle as the money of December 12 but in the opposite direction. The effect was to eliminate the train of debts and restore Holdings to the position it was in before the deceased's death. The first question was whether Burmah were entitled, when exercising the chargeable gain, to deduct in addition to the cost of acquiring the original shares the sum paid by way of subscription to the new shares.

The revenue contended that they were not because the new shares were acquired otherwise than by a bargain made at arms length. Burmah replied that the payment for the new shares was made as part of the reorganization of the capital of Holdings in the sense of the Finance Act 1965, section 7, paragraph 4(1), and that therefore there was no acquisition.

The commissioners and the court below both decided against Burmah and the revenue's appeal was allowed. The House of Lords, by a majority of 3 to 2, allowed Burmah's appeal against an assessment to corporation tax of about £3m.

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A secretary is required for this prestigious cosmetic and fragrance company to work for the sales manager.

Applicants should have at least three years secretarial experience at a high level with good shorthand and typing speeds. Duties will include arranging conference venues, administration, as well as the normal day to day secretarial duties within a busy sales office. It is therefore envisaged that applicants would not be under the age of 25.

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